Daily Report

Latin America

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FBIS-LAT-92-170 *1 September 1992*

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Brazil

In an interview with Rio de Janeiro TV, President Collor reiterated statements made in his speech 30 August and stressed his mistake "was to place too much confidence in people who showed that they did not deserve my confidence." However, he noted he has "placed no obstacles in the way of the investigation. On the contrary, [I] helped the investigation so that it could arrive where it did." As for the corruption charges against him, Collor stated he is the "president who has prepared and produced the strongest laws to fight corruption." Collor stressed the country is "democratically mature enough" to withstand the "storm" and "Brazilian democracy is solid."

Brasilia radio reports Mines and Energy Minister Marcos Vinicius Pratini de Moraes and Transport Minister Afonso Camargo "praised" Collor's speech and said they "will honor the commitment to work with the objective of making the country governable." Camargo added that Brazilian democracy is "being put to a test" and the president has "the right to defend himself from attacks." The radio adds that PDS [Democratic Social Party] Leader in the Chamber of Deputies, Jose Lourenco, believes Collor "received more popular and congressional support" with his speech adding "80 percent of PDS deputies" will vote against a request for impeachment.

Rio de Janeiro TV reports Government Secretary General Minister Jorge Bornhausen "confirmed he will stay in his post until the Chamber of Deputies votes on the impeachment." Bornhausen changed his mind "after talking with the economy and justice ministers," and after discussing the "governability pact" which "committed all ministers to stay in their positions" until a vote takes place.

Nicaragua

President Violeta Chamorro "shrugged off" statements made by U.S. Senator Jesse Helms' aid Deborah DeMoss "on the conditions that Nicaragua must meet to become eligible for U.S. aid," Managua radio reports. Chamorro said this report, which recommends the U.S. not send Nicaragua economic aid in 1992 and 1993 until a number of demands are met, "does not worry me or give me too much concern." "The money will be released and this will give us all a rest...This is a U.S. Government promise and we just have to wait patiently," Chamorro added. BARRICADA reports Presidency Minister Lacayo's reaction to the statement was "somewhat timid." He said it would "make no sense" to refute the statement point by point "because it would mean pitting the government's credibility against that of Helms."

According to BARRICADA, former President Daniel Ortega "urged" all sectors to form a "common front in defense of national sovereignty" and hoped the Nicaraguan Government would "not cave in to this type of pressure." Ortega added the government's future depends "on the attitude it takes toward the U.S. administration" and the people "will not recognize as legitimate a government that hands over its national sovereignty."

Peru

Industry Minister Jorge Camet on Lima TV calls the Andean Group's decision to suspend Peru's relations with that organization is "positive."

Central America Reacts to Trade Agreement

PA3008033192 San Jose LA NACION in Spanish 22 Aug 92 p 32A

[Report by Marvin Barquero S.]

[Text] Costa Rican private sector representatives praised on 21 August a framework agreement signed between our country and Mexico for the elimination of barriers. They added they believe the nation's industrial, trade, and—above all—agriculture groups will be strengthened when the process culminates.

Members of the Costa Rican Union of Private Enterprise Chambers and Associations (UCCAEP) and the Chamber of Commerce said everything will be positive for Costa Rica when free trade is established with Mexico.

A framework agreement has been signed between Central America and Mexico. Each country will now be able to negotiate bilaterally and conclude a free trade pact with that North American nation. Costa Rica has achieved progress in this regard and expects to sign an agreement by the end of the year.

Chamber of Commerce President Emilio Bruce said private sector members regard the agreement "with great pleasure because few recent incidents have had such a positive impact on businessmen's morale and expectations."

UCCAEP Executive Director Arturo Montero said: Costa Rica must firmly seize this opportunity to achieve a much more efficient and competitive economy. That is why businessmen do not oppose the agreement, provided the contents are previously discussed with the business sector, he added.

He emphasized his confidence that the negotiations with Mexico will be carried out with the business sector's participation and contribution.

According to Mr. Bruce, Costa Rica will enjoy the benefits of an increase in markets, the exchange of investments, the integration of financial services, the increase in selective exports, the increase in raw material imports for manufactured goods, and the increase in machinery and equipment for a reconversion.

Reactions in other Central American countries have been equally positive:

— Salvadoran President Alfredo Cristiani praised the treaty between Mexico and the isthmus because the region will have access to new markets. Meanwhile, the Salvadoran Chamber of Commerce and Industries said the treaty has generated a mixture of "fear and optimism" among local industrialists.

— Nicaraguan agriculture producers said on 21 August the agreement will be "positive" for the country because it will allow them to diversify the agrarian export market.

— Reports from Mexico indicate local businesses will try "to win the considerable volume of trade southern neighbors have with industrialized states," in a potential market of more than 100 million persons.

Colombian Economic Groups Oppose Andean Pact

PA3108133892 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 0030 GMT 31 Aug 92

[Text] The economic groups told the Colombian Government to forget the Andean Pact and asked it to, on the contrary, give priority to the bilateral agreements with Mexico, Venezuela, and other Latin American nations.

The first free trade agreements between Colombia and Mexico, which will be signed this week, make it clear that it is better to have the private sectors negotiate, than having the traditional political organizations undertake negotiations.

[begin Sabas Pretelt de la Vega, president of the Colombian National Federation of Businessmen, recording] When you try to make five parties reach an agreement it is like, as they say, trying to line up five monkeys. It is very difficult. On the other hand, look at how well the negotiations are going with Venezuela and Mexico. And now with Ecuador too. [end recording]

The goodwill speeches, normal for Andean Pact meetings, are belittled by the fact that, in only a year, Colombia has increased its trade with Venezuela by over $800 million and its trade with Mexico will be over $1.5 billion in less than two years, all this because of bilateral agreements.

[Begin Carlos Arturo Angel, president of the National Association of Industrialists, recording] It is a process of commercial opening that must continue, not only with the countries of the Andean Pact, but also with the rest of the world. [end recording]

The Colombian Government, however, defends the Andean Pact and, according to the government, the latest agreements will mean the return of something that, in fact, is dead already.

[Begin Foreign Trade Minister Juan Manuel Santos recording] As of 30 September, Colombian products will enter the Ecuadoran and Bolivian markets without any restrictions. [end recording]

The strategy of doing business directly will be used by Colombia in other regions, such as Southeast Asia, Europe, and Central America.

Central Americans Sign Legal Assistance Accord

PA3108161492 Panama City LA PRENSA in Spanish 29 Aug 92 p 1A

[Article by Manuel Alvarez Cedeno and Ibeth Vega]

[Text] After two days of closed-door discussions at the Atlapa Convention Center, delegates to the Central

American Security Commission on 28 August approved the creation of a regional agreement for mutual legal assistance regarding illegal trafficking of weapons, drugs, and vehicles.

The commission asked Panama to prepare the draft agreement to be presented to the Executive Commission of the Esquipulas II Agreements, Panamanian Deputy Foreign Minister Jose Raul Mulino reported on 28 August. The draft must also cover the issue of extradition, Panamanian Foreign Ministry official sources said. Mulino read the agreement during the closing ceremony of the Seventh Central American Security Meeting.

According to official investigations, illegal trafficking in weapons has increased—particularly from Central America to South America—following the fall of the Nicaraguan Sandinist regime in 1990 and the signing of the peace agreements in El Salvador.

Salvadoran Foreign Minister Rene Dominguez said the former fighters from the Farabundo Marti National Liberation Front (FMLN) might sell their weapons to Central American criminals, which could increase violence in the region.

Dominguez insisted that the UN Observers for El Salvador (ONUSAL) are not pleased with the weapons inventory delivered by the FMLN and said the authorities do not know if the missing weapons will be sent to Guatemalan guerrillas or sold to criminals.

Panamanian authorities asserted that there are well organized bands of Panamanians, Costa Ricans, and Nicaraguans who steal vehicles and sell them throughout Central America.

Deputy Foreign Minister Mulino also said the delegates were pleased with the Panamanian proposal to create a mutual agreement for the control of weapons trafficking; a problem that increased following the signing of peace agreements between guerrillas and the Central American governments in recent years.

Mulino said that after the Panamanian proposal was read, the delegates suggested creating a more comprehensive agreement that will include not only illegal trafficking of weapons but also drug trafficking and auto theft.

"The delegates asked that the issue of extradition among Central American countries also be included," the diplomat stated.

"The delegates said they hoped the plans could be carried out and developed as soon as possible for the benefit of the civilian population," Mulino said.

Mulino reported that the commission agreed that the countries would appoint high-ranking officers or officials or liaison officials in border areas within the next 30 days so they can begin to work together.

Cuba

Castro Visits Tobacco-Growing Cooperative

FL3108165892 Havana Radio Reloj Network in Spanish 1402 GMT 31 Aug 92

[Text] Commander in Chief Fidel Castro, first secretary of the Central Committee of the Communist Party of Cuba and president of the Councils of State and of Ministers, has visited the (Eliseo Caamano) agricultural-livestock production cooperative in Pinar del Rio Province in the last few hours. He spent two hours at the farmers cooperative, which is in Pilotos, a town in Consolacion del Sur Municipality. This is an area where mainly tobacco is grown.

The commander in chief was also able to inspect part of the 30 hectares that have been planted in black-eyed peas. This crop is yielding 300 quintals per caballeria and is planted once the tobacco has been harvested. Fidel said this is a great way to take advantage of the land used to grow tobacco because black-eyed peas are being found to grow well in the spring and also add a great amount of green bulk to the soil.

Assembly President on Elections, Party Pluralism

PA0109043592 Hamburg DPA in Spanish 1842 GMT 31 Aug 92

[Report by Juan Carlos Salazar]

[Text] Havana, 31 Aug (DPA)—Juan Escalona, president of the National Assembly of the People's Government [ANPP], has declared in Havana that political party pluralism is "a luxury in which Cuba cannot indulge" because of its confrontation with the United States.

During an interview with DPA, Escalona said: "Under these circumstances, either you are with Cuba or against it, and those who are against it are with the United States."

He said that the eventual election of a dissident in Cuba's first direct parliamentary elections, tentatively set for the first quarter of 1993, is no more than just a difficult "theoretical possibility."

Important officials of the Communist Party of Cuba [PCC], including top ideologist Carlos Aldana, have spoken in the past about opening the ANPP possibly to include dissidents. During the interview Escalona said that "in theory, this possibility exists, but it would be difficult for a dissident to get nominated as a candidate and even more difficult to get elected through the direct vote of Cubans."

Escalona noted, nevertheless, that the Cuban Government is not afraid of a member of the opposition reaching the ANPP. He explained: "We are not afraid of the United States. How could we be afraid of a dissident?"

The candidate nomination system, as well as the entire process that will govern the first direct elections, will be established in a new electoral law that is under study right now and that is expected to be approved in October.

Escalona said he anticipates that the candidates will be nominated at a ceremony headed by a "nominating commission" and afterward they will have to be elected by each neighborhood's residents at assemblies that could be held in December.

Escalona said that eligibility qualifications are established in the Constitution, which has opened the possibility of being elected to all citizens enjoying their civic and political rights.

The difference between past election processes—when legislators were elected indirectly in successive municipal, provincial, and national elections—and the forthcoming elections is that Cubans now will be able to choose their candidates through direct and secret ballots from among neighborhood assembly nominees.

Escalona reiterated that the PCC will not participate in the candidate nomination process but hinted of the possibility that "mass organizations"—workers, peasants, women, intellectuals—could, so that all social sectors may participate.

"Many ideas are yet to be defined because the electoral bill must be discussed by the provincial assemblies," said Escalona in reporting on this process, which will begin on 1 September and continue until 10 September.

Escalona endorsed the original concept, which foresees the approval of the new electoral law in October, the nomination of provincial and national candidates in December, and the direct elections sometime during the first quarter of 1993.

Labor Justice Groups, Labor Code Changes Start

FL0109020492 Havana Radio Rebelde Network in Spanish 1700 GMT 31 Aug 92

[Text] Changes will be made in procedures and alterations to the context of the labor code which has been in force together with the beginning of operations of grassroots labor justice groups nationwide on 1 September. Among the modifications indicated are those relating to disciplinary measures, which not only broadened educational aspects but also economic aspects. Private warnings are eliminated and six new measures are included which enable the guilty party to reflect more on the need to change their behavior.

The administration will take into account the nature of the infraction committed, the current circumstances, the seriousness of the deeds, the personal circumstances of the offender, and their work history in all its aspects. Among the measures implemented are fines of up to 25 percent of a month's salary through deductions which will not exceed 10 percent of the monthly salary. The

inability to be advanced or promoted before one year has gone by could be implemented again. Another applicable measure is the suspension of the right to land plots [corro] for up to one year or the partial or complete suspension of incentives for work results.

Article 7 of Decree-Law No. 132 and No. 18 of Joint Resolution No. 1 also establishes in [word indistinct] F the loss of honors granted for work merits earned. Other measures do not exclude the application of prison sentences when the violation of work discipline is deeds or behavior that can be considered crimes.

UNIDO Approves Industrial Development Aid

FL3108010192 Havana Radio Rebelde Network in Spanish 1700 GMT 29 Aug 92

[Text] The United Nations Industrial Development Organization [UNIDO] has approved an aid package for Cuba. This package will help advance the production of measuring equipment, which is used extensively in the sugar, pharmaceutical, food, and health industries, with the use of laser beams. Victor Fajer, from the Scientific Instruments and Equipment Development Center of the Academy of Science, provided more information on the subject in an interview with reporter Lucy Jisper.

[Begin recording] [Jisper] Does this project include technical support?

[Fajer] Yes, this project includes technical support by specialists who will be in Cuba for one month. It also includes sending Cuban specialists abroad to update their training in the complex process of using this high-tech equipment. The price of the equipment in the international market fluctuates between $15,000 and $30,000.

Some of these systems have already been installed in the pharmaceutical and medical industry and in some facilities of the sugar industry. We are now in the process of introducing the system in other areas.

[Jisper] The project, which is already in operation, creates new possibilities for technical advancement in the industrial sphere of the country and in other areas that are still in development. [end recording]

Cienfuegos Researches Alternate Fuel Options

FL2908155392 Havana Radio Rebelde Network in Spanish 2300 GMT 28 Aug 92

[Text] I have been told that science is going well in Cienfuegos. I interviewed Victor Molina, delegate of the Science Academy in Cienfuegos today. Why do you think they say this?

[Begin recording] [Molina] [recording interrupted] five or six years that the scientific activities have had a great productive force in Cienfuegos, due to a determnined organization and new work methods that we have developed in the province.

[Carlos Saltana Ojeda] How many national, provincial, and local achievements has the Science Academy of Cienfuegos already implemented?

[Molina] This year, the Science Academy in Cienfuegos has been working on approximately 300 projects; 300 projects in various spheres. A number of these projects have already been implemented socially. I believe that among the most important...I could explain some of our prioritized programs. We have a very strong program focusing on energy because of Cienfuego's industrial potential. We are researching combustion problems.

We have a higher technical institute that focuses on energy research. In our specific case, Cienfuegos has been introducing a project involving the burning of low-density solid fuels. I am talking about possible fuels, which are not now used, fuels such as sugarcane chaff, bagasse fibers, rice husks, peat, etc. These are low-density fuels. We are paying tribute to the 26 July festivities with the introduction of these results, which could promote the production or burning of this type of fuel. In the energy research activity at this center, we are also burning, with certain possibilities, national crude oil, a fairly dense fuel and difficult to work with. This work is being carried out.

We are working on various projects in the food program. I think that everyone knows about Cienfuego's successes with the food program and the pig-and-cattle-feed program. Evidently, with regard to the pig-feed program, there is one factor that has characterized the work done. There has not been any progress made in the important national centers, such as the Institute of Animal Sciences or the Central University specifically involving pig feed, in which Cienfuegos has not gotten immediately involved. [end recording]

Official Expects Economy To 'Come Out Ahead'

PA3108151292 Hamburg DPA in Spanish 1011 GMT 30 Aug 92

[By Juan Carlos Salazar]

[Text] Havana, 30 August (DPA)—Two years after implementing a virtual war economy to brave the cutback in supplies from the former Soviet Union, Cuba still has "tremendous economic difficulties, a top government official admitted in Havana on 30 August.

During an interview with Osmany Cienfuegos, vice president of the Council of State and the Council of Ministers, by DPA in his office at the Palace of the Revolution, he said: "We have many problems but we are sure to come out ahead."

He added that it will probably take "several years" to reorder the battered Cuban economy, which was impaired seriously with the disappearance of the Soviet Union and the disintegration of socialism in Eastern

European countries. Those countries were the island's main commercial partners and political allies over the past three decades.

Cienfuegos, who is also a member of the Politburo of the Communist Party of Cuba, asserted that Cuba has resisted despite the harsh blows and contrary to the predictions of people who augured the imminent fall of Fidel Castro's government.

"I believe our enemies are getting tired of saying that Castro will fall next month," the official stated. Cienfuegos received DPA Director General Walter Richtberg, who is visiting Havana to inaugurate the agency's new offices, in a special hearing at his office.

He added that Cuba never had a consumer criterion but its prolonged economic and commercial relations with the former Socialist field did not allow Cuba to see the things it had to do for itself.

In the past 30 years, Cuba has received petroleum, food, raw materials, and basic industrial supplies in exchange for sugar, nickel, and citrus fruit, in a trade that traditionally benefited the island with preferential prices. The interruption of supplies has obliged Fidel Castro's government to adopt a severe readjustment program called "special period in time of peace" and its initial measures where announced on a day like today two years ago. The "special period" established a drastic rationing of fuel, electricity, food, and other basic products and the rationing has had to be increased in the past months.

Cienfuegos admitted that the preferential economic and commercial ties with the former Soviet Union and the bygone socialist field prevented the country from developing autonomously. "There was no real economic precision," he declared. He, however, noted that the "special period" measures are geared to save resources and that the priority self-sufficient programs, such as the food program, are giving good results. "We are working to find petroleum and have very good possibilities of doing so," Cienfuegos stated. He also admitted that the drastic reduction in fuel has turned the political management of the country into "an agony."

The petroleum supply diminished from 13 million tons a year to less than seven tons in the past three years, due to the lack of suppliers as well as to the scarcity of foreign exchange to buy fuel in the international market.

Cienfuegos expressed his confidence in Cuban Government programs to raise financial resources, such as the programs designed to promote tourism, the medical industry, and biotechnology. Tourism, which yielded $300 million last year with the visit of 412,000 tourists, had a 32.5 percent increase in foreign exchange and a 24 percent increase in the number of tourists in the first semester of 1992. Cienfuegos, who has been entrusted by the government to oversee the tourism sector, said that in three years, Cuba expects to receive $1 billion with the visit of a million tourists as the lodging capacity will be increased from 16,000 to 30,000 rooms.

He also asserted that Cuba has "great potential" in the medical and biotechnology industries, which are yielding "several millions of dollars." Cienfuegos, however, did not give exact amounts on those incomes.

The Cuban official added that the programs, which have been given priority by the government to confront the lack of supply and foreign exchange, have not been adversely affected by the "special period" as they receive independent financing.

"Despite the tremendous difficulties we have, our economic and social situation is different from that suffered by many Latin American countries, and we are sure we will come out ahead," he concluded.

Editorial Report on Economic Activity

FL3108212392

[Editorial Report] Havana Radio Progreso Network in Spanish at 1100 GMT on 31 August carries a number of brief reports relating to the economy. The radio's Cienfuegos correspondent reports that the workers of the Jose Gregorio Martinez water resources system parts factory in Cienfuegos are soon to deliver, in honor of the 26 July and 5 September anniversaries, the first 27 of the approximately 300 magnetizers, for use with oil and gasoline, that they plan to produce this year. The correspondent adds that they are also attempting to meet their commitment to produce 50 pumps for windmills with a view to ensuring the supply of water to dairy farms and cattle-raising facilities in general.

A second Cienfuegos correspondent reports that the workers of the (Alvaro Guarsa) farm located in the (La Sierrita) area, Cumanayagua Municipality, who promised Raul Castro during his visit to the farm last February that they would hatch 80,000 top-quality Creole chicks in 1992, have reached and exceeded this goal by 1,082 chicks, having thus far hatched 81,082 chicks.

The radio's Guantanamo correspondent reports that the province's sugar industry workers have repaired approximately 100 pieces of agricultural equipment in preparation for the 1992-93 sugar harvest. The correspondent adds that workers of the province's six agroindustrial production centers are taking initiatives to make up for the lack of spare parts; motors; screws, nuts, and bolts; acetylene; and different kinds of raw materials, parts, and components. He says that the objective is to have all equipment ready by 30 November, the date on which these six production centers are scheduled to be ready for the beginning of the harvest. The correspondent says that during the last harvest, Guantanamo's agroindustrial production centers met the provincial sugar production plan and even exceeded it by 22,000 tons.

Havana Radio Rebelde Network in Spanish at 1700 GMT on 31 August reports, for its part, that Holguin Province's local industries have brought in more than

0.5 million pesos in convertible currency thus far this year, by making handicrafts for sale to international tourists.

Rebelde also reports that Las Tunas sugar workers have weeded some 3,500 caballerias of canefields during the month of August, by hand, using chemicals, and using machines. The radio reports that this effort brings to over 34,800 the number of caballerias thus benefited this year.

New Gas Coupons To Begin Circulation 1 Sep

FL0109004992 Havana Radio Rebelde Network in Spanish 1700 GMT 31 Aug 92

[Text] Beginning 1 September, a new coupon will begin to be circulated to buy gas by private vehicle owners. According to Segundo Bernal from the Operations Directorate of the Cuban Freight Enterprise, this new coupon does not affect those coupons already in circulation. Nevertheless, he said that those vehicle owners, who for any reason have not used part of the coupons received during the current year, can exchange them at the same places where they were obtained. The coupons they now have can be exchanged in those same places for coupons which will be valid beginning 1 September.

Methane Gas Substitutes for Acetylene in Cardenas

FL3108212292 Havana Radio Rebelde Network in Spanish 0900 GMT 31 Aug 92

[Report by correspondent Gilberto Amado Perez from Cardenas, Matanzas Province]

[Text] A group of enterprises in Cardenas Municipality, Matanzas Province, are using methane gas as a substitute for acetylene in all kinds of cutting work. Among these enterprises are the (Horacio Rodriguez) and (Jose Later Reyes) railway repair shops, and the Oil Enterprise of the Center [Petrolera del Centro] itself. This was reported at the meeting of the Cardenas group for collaboration among enterprises, which was formed three years ago and is the most outstanding such group in Matanzas Province.

Engineer (Marcos Aguilera), director of the Oil Drilling and Extraction Enterprise of the Center in Cardenas, explained that methane gas is much safer to use than acetylene, as long as one stays within safety guidelines. Regarding the unfortunate accident that occurred at that enterprise recently, in which three workers doing cutting work lost their lives when a container of methane exploded, he said that the accident was caused by negligence on the part of the welder.

It was also reported at that same meeting that it has been proposed that Cardenas Municipality become [words indistinct] before 20 October, the first municipality in the country to be accorded that status.

FAR Factory Accidents Reduced by Safety Measures

FL3108212492 Havana Radio Reloj Network in Spanish 1937 GMT 31 Aug92

[Text] There has been a notable reduction of work accidents in the first half of this year with an increase of physical safety measures and the improvement of work conditions in Military Industrial Union factories and workshops. During this period, more than 120 plants were declared protected areas at the Military Industrial Union enterprises. There was a reduction of accidents, from 103 accidents in the first quarter to 97 accidents in the second quarter.

These measures have allowed these enterprises to stop paying 6 million pesos in assistance and fewer injuries were received. The creation of protected areas at the Revolutionary Armed Forces [FAR] factories contribute to a larger organization and to the improvement of hygienic, lighting, and ventilation conditions, among others. The military industries are making efforts to insure that the [words indistinct] for the worker's safety in areas of quality of production.

Education Minister on New School Year Changes

FL3108212592 Havana Radio Rebelde Network in Spanish 1700 GMT 31 Aug 92

[Interview with Education Minister Luis Gomez Gutierrez by Alberto Megoido; place and date not given]

[Text] [Alberto Megoido] We would like to know about the changes for this school year and what is required of the school workers and students.

[Luis Ignacio Gomez Gutierrez] This school year, we have guaranteed that all of the schools will function normally so that all our children have the opportunity to receive an education and that all our teachers have the opportunity to work. Something [word indistinct] in this world when there are so many difficulties have [word indistinct]. This year, we are not only guaranteeing the possibility for all students, who are finishing the sixth, ninth, and 12th grades, to continue studying; but we are also making a change in the proportion of return entries to midlevel instruction. We are going to have more students enrolling in the polytechnical schools and less students enrolling in the preuniversities. This way, we strengthen all the policies that we have been implementing to create the country's production base through the training of workers.

For us, one of this school year's premises is to provide all the material resources that have been allocated, with great effort, and to increase the [word indistinct] quality in every aspect. To do this, we are relying on the firm support of all teachers, professors, educational directors, in being well prepared, not only in the classrooms but in all the educational activities and with the students and families' awareness to support education.

Commentary on U.S. Denying Visas to Scientists

PA3108204192 Havana Radio Havana Cuba in Spanish 0000 GMT 30 Aug 92

[Roberto Morejon commentary]

[Text] The U.S. blockade against Cuba has many variations, but apparently the two most frequently used in recent times have been pressuring foreign groups not to trade with Cuba and denying visas to outstanding Cuban persons.

This latest system of harassing Havana was evident this week when U.S. authorities refused entry to the United States to three Cuban nuclear experts and cosmonaut Arnaldo Tamayo.

The nuclear experts had been invited by a nongovernmental organization to attend a seminar in San Diego where the Cubans were to explain the infrastructure of the Cuban program and the technical characteristics of the thermonuclear plant being built in Cienfuegos Province.

Various groups in the United States have cast doubts on Cuban scientific development in that field and the safety system at the nuclear installation at Juragua. Obviously if the United States adopted the right measures, it would be taking advantage of an opportunity to learn, through the Cuban experts, of the details of the island's nuclear program. Rationality, however, is not very common in the White House offices, and the Cuban representatives were not allowed to travel to San Diego.

Cuban cosmonaut Arnaldo Tamayo, who was invited to the Eighth Congress of Space Flight Participants and the World Cosmos Congress headquartered in Washington, was also not allowed to visit the United States.

The eagerness to prevent the Cuban message from being heard in the United States and the true dimension of the Cuban political process from being presented to the public has led the Republican administration to deny visas to Cuban celebrities. In addition to ignoring the most elementary rules of international law, Washington hopes that people will not learn about the advances made by Cubans in the fields of science, art, politics, sociology, and other disciplines.

Due to the government's irrational attitude, the United States has denied visas to over 300 Cuban personalities in the last four years, including ballerina Alicia Alonso, the members of the well-known Aragon Orchestra, and scientist Concepcion (Campas), who led a team that discovered the meningitis meningoccic type-B vaccine.

All of the aforementioned persons enjoy well-earned international prestige and are far from representing a threat to U.S. national security.

Need To Stabilize Sugar Industry Noted

PA2908200992 Havana Radio Havana Cuba in Spanish 0000 GMT 29 Aug 92

[Commentary by Joaquin G. Santana]

[Text] On 28 August, President George Bush announced the shipment of massive aid by the U.S. Army for the victims of Hurricane Andrew in southern Florida, where some 250,000 people have lost their homes and the damage amounts to $20 billion. In one of the White House gardens, the U.S. president said that four Marine brigades have been deployed to the disaster areas and that some 1,000 more marines would be available if necessary.

Amid a lot of criticism because of the delay in shipping the aid, the U.S. president said he was not going to participate in the game of naming the guilty and that he wants to eliminate any small differences between the federal and state authorities of which so many people like to talk, clearly alluding to the U.S. media.

The situation for tens of thousands of Floridians is desperate. They are without food, medicine, drinking water, and shelter, while local authorities were overwhelmed by all the work.

According to Bush, the Pentagon has already distributed 200,000 food rations and an equal number will be distributed on 28 and 29 August. In addition, 20 mobile kitchens with a capacity to serve 300 people in two hours will be working around the clock.

The U.S. President said the Department of Agriculture shipped more than 100,000 food packages and 7,000 boxes of supplies to hurricane victims in the counties of Dade, Broward, and Monroe, who were adversely affected by what is considered the worst natural disaster in the United States this century.

Pressured by an electoral campaign that is not currently in his favor, Bush promised to ship more aid if necessary to help the victims in southern Florida. He said he is trying to make contact with Louisiana Governor Edwin Edwards to coordinate assistance to that state.

Undoubtedly devastating Hurricane Andrew, which has dramatically affected the United States, could lead to sudden changes in the U.S. sugar policy because of a decrease in domestic production.

Winds of over 230 km per hour and the heavy rains that fell over southern Florida and Louisiana badly hurt agriculture in those states, the leading products of which are sugar and citrus fruit.

Keith Mitchell, manager of G.R. Brooks and Sons, one of the area's leading fruit packaging firms, said southern Florida's multimillion dollar agriculture industry is in ruin. According to this executive, it will take at least 10 years before Dade County can recover its prehurricane production levels. Andrew was the most devastating natural disaster in the United States this century, as we already said.

The producer of nearly 1 million tons of sugar, the state of Florida is one of the most serious competitors of Caribbean and Latin American sugarcane producers. Sugarcane is primarily cultivated in the states of Louisiana, Mississippi, Alabama, Florida, and Hawaii.

Actually, the U.S. sugarcane industry is highly subsidized and for decades this has caused conflict with Caribbean and Latin American suppliers.

According to studies conducted in the past few years, it is believed the cost of producing and processing sugar in the United States is 33 percent higher than in the leading sugar exporting countries.

The U.S. Department of Agriculture and private firms all say a pound of cane sugar produced in the United States costs no less than $0.20 while a pound of beet sugar costs $0.23. A pound of sugar in the leading cane sugar exporting countries costs between $0.11 and $0.15.

The world sugar cane industry is going through a crisis that has already lasted 10 years with a drop in prices that reached their lowest levels so far this century, caused by the fierce protectionist practices unleashed by highly industrialized countries.

The new situation in the U.S. sugar industry created by Hurricane Andrew once again shows the urgent need to stabilize this market in the long run by means of a new international sugar agreement.

Country Said Willing To Sign Weapons Treaty

PA2908214492 Havana Radio Havana Cuba in Spanish 0000 GMT 29 Aug 92

[Roberto Morejon commentary]

[Text] Not all the states in the region signed the agreement banning nuclear weapons in Latin America and the Caribbean—known as the Tlatelolco Treaty—signed in Mexico in 1967.

Steps have been taken this week to get more signatories. France has now signed a supplementary agreement regarding the denuclearization of territories under the jurisdiction of countries outside the continent, which will now include French Guiana, Guadeloupe, and Martinique.

The Caribbean island of St. Lucia also signed the text of the treaty, even though it must still comply with ratification requirements and other details.

The fourth meeting of countries that signed the Tlatelolco Treaty and the seventh special session of the organization for the banning of nuclear weapons in Latin America and the Caribbean held in Mexico accepted the amendments made to the text presented by Brazil, Argentina, and Chile.

With the approval of the suggestions regarding the protection of nuclear information, a new outlook is opened for imminent inclusion of these three countries to the 29 that already met the formal requirements.

As you may know, the Tlatelolco Treaty commits the signatories to use their nuclear installations for peaceful means and prohibits them from possessing nuclear weapons.

The essence of the document is in keeping with Cuba's policy of peace, however, this country has not signed the treaty for good reasons. Cuba has not signed the treaty because it cannot abandon the possibility of possessing the weapons required for its defense, bearing in mind the hostile U.S. policy and the illegal occupation of the Guantanamo Base by this nuclear power.

Despite an increased U.S. aggressive stance, Cuban officials were recently in favor of signing the document in an effort to contribute to Latin American unity. In this regard, on 4 March, Cuban Vice President Carlos Rafael Rodriguez said Cuba was willing to participate in the Tlatelolco Treaty as a way of contributing to regional unity.

Vice President Almeida Bosque Arrives in Jakarta

FL3108020192 Havana Cuba Vision Network in Spanish 1700 GMT 30 Aug 92

[Text] Today, Cuban Vice President Juan Almeida Bosque arrived in Jakarta, capital of Indonesia, to attend the 10th Nonaligned Movement Summit. At the airport in Jakarta, Almeida was honorably received as a head of state by his Indonesian counterpart, Vice President Sudharmono.

We have also learned that the ministerial conference, in preparation for the summit of heads of state and government, will continue tomorrow in the [word indistinct] convention center. According to what we have heard, the main topic continues to be the situation in Yugoslavia.

Economic Agreement With Indonesia Signed

FL3108170392 Havana Radio Reloj Network in Spanish 1403 GMT 31 Aug 92

[Text] The foreign ministers of Cuba and Indonesia, Ricardo Alarcon and Ali Alatas, today signed an economic and trade cooperation agreement that opens the way for bilateral collaboration in the future. The protocol was signed at one of the halls of the (Balai Sindat) Convention Center, where the conference of foreign ministers of the nonaligned countries met. As of 1 September, this center will be the site of the 10th summit meeting of the Nonaligned Movement.

Alatas expressed his satisfaction at managing to sign the agreement despite the intense work of the ministerial meeting that has just ended in Jakarta. He said the document will permit exchanges between Cuba and Indonesia. For his part, Alarcon said the agreement reflects the Cuban Government's wish to establish an economic and trade relationship with Indonesia as part of a policy of collaboration among Third World nations.

Dominican Republic

U.S. Cuts Sugarcane Quota by 17.6 Percent

FL2808180092 Santo Domingo Radio-Television Dominicana Radio Network in Spanish 1600 GMT 28 Aug 92

[Text] The U.S. Government has reduced the Dominican Republic sugarcane quota by 17.6 percent in this preferential market. The Commerce Department in Washington said the quota was reduced from 358,000 tons to 205,000 tons. This reduction will establish a limit on the year's imports, which will total 1,200,000 tons. The U.S. market establishes import quotas for countries that pay low duty tariffs or are duty-free. The new quota will be in effect from October 1992 to September 1993.

Haiti

Aristide, Bazin Agree To Hold Indirect Meeting

Designate Representatives

FL3108212192 Port-au-Prince Radio Tropic FM in French 1400 GMT 31 Aug 92

[Text] Through an OAS initiative, a representative of the Bazin government and that of President Jean-Bertrand Aristide will meet at the headquarters of this regional organization in Washington. The 19 June government has designated its minister of foreign affairs, Francois Benoit to represent it at the meeting. President Aristide has chosen the coordinator of the presidential committee, Father Antoine Adrien to represent him at the meeting.

According to a member of the presidential committee who wishes to remain anonymous, the Aristide camp has accepted participation in this meeting in order to show once again its honesty within the framework of the search for a solution to the crisis.

Radio Soleil Comments

FL3108212092 Port-au-Prince Radio Soleil Network in Creole 1100 GMT 31 Aug 92

[Excerpts] The political crisis, that has been creating havoc in Haiti for almost 12 months, will take a new step tomorrow, 1 September, which is the date fixed by the OAS secretary general for the participation of the two most concerned parties in a meeting that will take place at the OAS building in Washington. Tomorrow's meeting will be important not only if the two parties agree to participate in it, but especially if the negotiations are held without pride or passion.

Embargo and constitutional order are the two words that have been most heard in the country over the past 11 months. Perhaps, it is also these two words that will serve as a basis for tomorrow's negotiations. Whereas, the invitation for tomorrow's meeting looks very much like the invitation that led to the signing of the Washington Agreement, observers point out that there are also many differences between the two cases.

In February, Ramirez Ocampo served as mediator for the two parties. This time the role will be played by the OAS secretary general himself. In February, there was much hesitation when the delegation coming from Haiti had to leave the country. This time there has been no discussion about this point. In February, it was a question of the appointment of a prime minister who would prepare the return of the ousted president to power. However, this time the main point of the discussions is not that. The biggest difference is that for tomorrow's negotiations it is a representative of the prime minister and a representative of the ousted president who will sit together. Whereas, for the negotiations held in February, the OAS did not have any contact with the Haitian executive because, according to what the organization said at that time, the Haitian Government was not legal because it resulted from the 30 September coup. As the OAS said at that time that it would not acknowledge any government that would result from the 8 October 1991 government [referring to the Nerette-Honorat government] and as the Marc Bazin government resulted from that power, several people think the international community has changed its attitude in comparison with what it was saying in the beginning. By way of proof, they cite the visit of Foreign Affairs Minister Francois Benoit to the United States in the middle of August, the meeting of the OAS secretary general with the prime minister during his latest trip to Haiti, especially this latest visit which those observers think does not look like the previous missions.

Another new element in the crisis is the silence of the partisans of Father Aristide since Mr. Soares' visit to Haiti whereas both the government and the Army officials clearly say that they agree with the negotiations that will be held in order to put an end to the Haitian crisis. [passage omitted including previously filed material]

U.S. Ambassador to the OAS Luigi Einaudi, who was speaking a short time after the news regarding the invitation of the two parties for tomorrow's meeting was announced, said that the State Department hopes that the ousted president will collaborate with Marc Bazin so that the meeting can be held.

According to several observers who noted that Father Aristide had already rejected any idea of dialogue with Marc Bazin, this invitation is another form of pressure to force the ousted president to negotiate with the head of the consensus government. We do not yet know how many days the negotiations will last. Anyway, if the meeting is held, especially if it ends up in a solution that can satisfy everybody, tomorrow's meeting will represent an important step in both the OAS history and Haiti's political life.

Arrested Priests Released on 26 Aug

FL2908001192 Port-au-Prince Radio Tropic in French FM 1730 GMT 28 Aug 92

[Text] Father Valery Rebeca, Belle Riviere parish priest, and six other priests arrested with him on 24 August were released on 26 August after appearing before judicial authorities, according to the Haitian Press Agency.

In a letter protesting the arrest, the Fraternity of Priests of the South mentioned the ill treatment of the detainees. The Fraternity of Priests of the South is calling on the Episcopal Conference and the Apostolic Nuncio to keep aloof from, according to the fraternity, a devilish machine that keeps crushing God's sons. The fraternity is also addressing institutions such as the United Nations, the OAS, Caricom, and the EEC, asking them to prove that no hypocrisy is backing the sanctions that they took against the putschists.

In conclusion, the Fraternity of Priests of the South reasserts its faith in the 1987 Constitution and in the results of the 16 December 1991 elections.

El Salvador

FMLN Allegedly Establishes Party Committees

PA3108190892 San Salvador EL DIARIO DE HOY in Spanish 29 Aug 92 p 4

[Text] According to legislative sources, the Farabundo Marti National Liberation Front [FMLN] has organized party committees in more than 70 locations around the country, including San Salvador, without having attained legal status as a political party and in disloyal competition with the country's legally recognized political institutions.

The FMLN's party organization has been formed by Joaquin Villalobos and Juan Ramon Medrano of the ERP [People's Revolutionary Army]; Maria Marta Valladares of the PRTC [Revolutionary Party of Central American Workers]; Jorge Shafik Handal of the FAL [Armed Forces of Liberation]; and Salvador Sanchez Ceren of the FPL [Farabundo Marti Peoples Liberation Forces].

According to the informers, the so called Social Christian Youth is led by Roxana Rodriguez, Irvin Rodriguez, and Romero Trifinio as its "visible" leaders, and the FMLN group is headed by Maria Mirtala Lopez, Marco Tulio Lima, Jr., and Hugo Lopez.

The source added that a board has been established to further the FMLN's organization in northern San Salvador. Members of the UDN [Nationalist Democratic Union] and FAL are said to be included on that board.

The FMLN also has locations at Los Alvarado Avenue No. 28 in San Salvador's Buenos Aires neighborhood, and another called the 16 January Foundation at San Antonio Abad Street. It has also rented two houses on West 27th Street from which the FMLN radio station operates.

The sources also added that the FMLN has organized committees in Soyapango, Cojutepeque, Teotepeque, Nejapa, Ciudad Arce, Guazapa, Santa Tecla, San Juan Opico, Quezaltepeque, Apopa, Suchitoto, San Ramon in Mejicanos, San Martin, Ilopango, Candelaria Cuscatlan, San Bartolome Perulapia, Aguilares, Ahuachapan, Cara Sucia, San Francisco Menendez, Tacuba, Juayua, San Antonio del Monte, Sonsonate, Nahuizalco, Acajutla, Santa Ana, Chalchuapa, San Miguel, El Transito, Ciudad Barrios, Chinameca, San Francisco Gotera, Joateca, San Carlos, La Union, and Santa Rosa de Lima.

Other sites where committes have been organized are Chalatenango, Nueva Concepcion, La Palma, El Rosario, Agua Caliente, San Rafael, Dulce Nombre de Maria, San Fernando, Arcatao, Tejutla, San Ignacio, El Poy, Citala, Las Pilas, Santa Rosa, Miramundo, Los Planes, Concepcion Quezaltepeque, San Vicente, Zacatecoluca, Ilobasco, Usulutan, and other communities in eastern El Salvador.

The informers explained that some cities like San Salvador, Santa Ana, San Miguel, Usulutan, San Vicente, Ahuachapan, and others have more than one committee, including the so called FMLN youth.

It was also reported that, based on the FMLN's structure, the leftists have designed a program geared to fill San Salvador with "committees" that act according to their chiefs' interests.

FMLN dissidents have given authorities the names of the leaders of each local committee, which includes several former priests and people linked to the National University.

The FMLN youth group, which calls itself "The Kids," is visiting schools to organize meetings and, with the approval of several teachers, they have already visited INFRAMEN [expansion unknown] and other private and Catholic schools in San Salvador.

Opposition Parties To Rally Against VAT

PA2908145592 San Salvador Radio Farabundo Marti Network in Spanish 1800 GMT 28 Aug 92

[Report by Flor Aleman]

[Text] Democratic Convergence [CD], the National Democratic Union [UDN], and the National Solidarity Movement [NSM]—all opposition parties—called on 28 August for a demonstration against the value added tax, VAT.

NSM Secretary General Manuel Edgardo Rodriguez said that despite efforts made by the business unions, institutions, and the people in general against the VAT's implementation, the ARENA [Nationalist Republican Alliance] government persists in its decision to implement this tax on 1 September. In the face of this new blow to the Salvadoran economy, the people have a right to express their rejection, Rodriguez said.

[Begin Rodriguez recording] The UDN, the CD, the NSM, and we have decided to invite the Salvadoran people to protest. At the start of independence month, at 1230 sharp on 1 September, all Salvadorans who do not agree with the VAT, which we know to be most of the Salvadoran people, should speak out, make noise, honk horns, bang pots and pans, stop work, sing the national anthem, demonstrate to reject this law. We know this law is not good for us at this time and will harm most Salvadorans. We want to say that within the law we reserve the right, and we are studying this possibility, to officially protest this law as unconstitutional. We believe it is unfair for the people to be burned with taxes they cannot afford. [end recording]

CD's Jorge Villacorta said the most peoples' economic situation will be made even worse because electricity rates and water and gasoline prices are expected to rise. In contrast to this, the government has reduced taxes for alcoholic beverages and cigarettes, Villacorta said.

[Begin Villacorta recording] We can look forward to a black September. First, because according to this note from the World Bank—as far as ARENA is concerned,

the Inter-American Development Bank comes first, the IMF second, and the World Bank third, the three phrases ARENA likes to say—this note indicates that ARENA will hike electricity rates 30 percent and water rates 30 percent. I want to give you some advance information: On 27 August, the economy minister secretly met with the oil people and decided to increase gasoline prices 30 percent because they claim that the dollar has gone up and so has the price of oil. When we add the 10 percent VAT tax, the increase in gasoline prices will be nearly 40 percent.

On the evening of 27 August, three monopolies received a gift with the reduction of taxes on beer, soft drinks, and cigarettes. This was also done by surprise on 27 August. These gifts are interesting. While the people are hit with the VAT tax because of a fiscal deficit, three big monopolies have had their taxes reduced. The government will receive the same income, however, because the people will drink and smoke more. [end recording]

The protest may be joined by the National Council of Small Business [Consejo Nacional de la Pequena Empresa]; the Christian Democratic Party; and organizations like the Permanent Committee for the National Debate on Peace, which includes approximately 50 social groups.

Commentary Rejects Tax, Increase in Utility Rates

PA2808235892 San Salvador Radio Farabundo Marti Network in Spanish 1800 GMT 27 Aug 92

[Station commentary]

[Text] A black September is expected for all Salvadorans who have changed their living habits due to the economic crisis they have been dragged into by the ruling party ARENA [Nationalist Republican Alliance]. We label it a black September because starting the first of the month, a 10 percent VAT [Value Added Tax] will be implemented. In addition, the government unscrupulously has announced an increase in the water and electricity rates. For the Salvadorans, the VAT, the increase in water and electricity rates and possibly an increase in transportation rates will mean an additional cost of at least 200 colons per person. What is more serious is that no substantial salary increases are expected to cover these new costs.

The government, through the Treasury Ministry, launched an awkward campaign in which it reported that funds collected through the VAT would be used to benefit the people in the health and education sectors. The day after this tax was approved, the same ministry, arrogantly, announced that the fiscal revenues obtained from the VAT would not be used for health or education, as these are not priority issues for the nation. So the people, in addition to paying the VAT, and paying more for electricity and water—that they do not even receive—will have to undergo even greater sacrifices to resolve health and education problems because they will not even have enough left to buy an aspirin. Health is a public [word indistinct], of course it does not have priority for a minister or ARENA official since they and their relatives have never gone near the abandoned state hospitals or send their children to a public school in a second-rate neighborhood. They receive medical attention and attend schools abroad.

The same propaganda they used to obtain the VAT approval is now being used to announce the increase in water and electricity rates, nevertheless, not even the most absentminded Salvadoran believes them, as we are all victims of the bad services of ANDA [National Administration of Waterworks and Sewers] and of Cel [Lempa River Hydroelectric Executive Committee]. There is a high level of corruption in these two institutions, for them [word indistinct] altered and adjusted bills sent to the people. How can ANDA and Cel contend the people pay low rates for water and electricity services when they send altered bills to the people charging them up to 300 percent more for the services they use. The government's greed resembles that of the middle-age kings, who in their zeal to multiply their wealth, forced their subjects to pay taxes beyond their capability. What will the monies collected from the VAT and the hikes in water, electricity, and transportation services be used for? Of course, they will not be used for hospitals and schools or to increase the pensions of retired persons. The government will use all of this money and distribute it among the coffee growers, pay the deputies who approved the VAT, give it to the businessmen so they can purchase the state-run companies, pay for the vacation trips of government officials, pay the international banking sectors for the loans that never benefited the nation, and guess what, build a monument in honor of Roberto D'Aubuisson [deceased ARENA party founder].

SALPRESS Office Receives Renewed Threats

PA2808232592 San Salvador Radio Farabundo Marti Network in Spanish 1800 GMT 28 Aug 92

[Text] New threats have been received less than two months after the Salvadoran Press Agency, SALPRESS, offices were set on fire. The threats were made at 1315 [1915 GMT] on 27 August, when an employee answered a telephone call. After she was insulted, she was warned that SALPRESS would again be set on fire. This is the first threat SALPRESS has received since its offices were set on fire on 2 July. That attack burned files documenting 12 years of war in El Salvador and caused more than $60,000 worth of damage to machinery and infrastructure.

Results of the investigations on that attack are still not known, however, the courts and UN Observers for El Salvador determined it was arson. Nevertheless, the special investigative commission has limited its investigation to SALPRESS employees and has said that there is no time limit for the investigation.

Since the peace agreements were signed between the government and the Farabundo Marti National Liberation Front, SALPRESS has carried out a detailed analysis and reportage on agreement compliance.

Nicaragua

Chamorro, Leaders React to DeMoss Statements

PA0109042592 Managua Radio Sandino in Spanish 1830 GMT 31 Aug 92

[Text] President Violeta Barrios de Chamorro shrugged off statements by Senator Jesse Helms' aid Deborah DeMoss on the conditions that Nicaragua must meet to become eligible for U.S. aid. The president also broached other topics of national interest.

[Begin recording] [Chamorro] In a democracy anyone can say whatever he pleases. No one is exerting any pressure on me and I will not be coerced. I am guided by all these documents that have arrived from the General Accounting Office, which examines the accounts of U.S. Government money given to Nicaragua. I am the person who is currently in charge of the Nicaraguan Government.

[Unidentified reporter] Do you believe the U.S. aid will continue to be withheld following the DeMoss report?

[Chamorro] No, I always have faith in God. The report was not true. I believe the less said about it the better.

[Reporter] In other words, the report issued by this lady is not as important as some of the foreign and domestic media have made it seem?

[Chamorro] No, this does not worry or give me too much concern. She is like those women who were called [word indistinct] in the past. I do not know. Let us not talk about her. Better to pay less attention to her than more.

[Reporter] [Words indistinct]

[Chamorro] By a very close margin.

[Reporter] When?

[Chamorro] Perhaps by 15 [September].

[Reporter] What news did [Finance] Minister [Emilio] Pereira bring back from Washington regarding the aid?

[Chamorro] The news is good. There is no animosity, as in other places. I believe we should all be thinking that there will be good news for all Nicaraguans. The money will be released and this will give us all a rest. That is what we wish. This is a U.S. Government promise and we just have to wait patiently. Remember they have been in recess and they are in an election campaign. There have been delays. I do not—and I have said this every time I am asked—feel slighted yet; I feel the money will come. [end recording]

Lacayo Makes 'Timid' Reply

PA0109004592 Managua BARRICADA in Spanish 30 Aug 92 pp 1, 8

[Report by Maria Alicia Talavera]

[Text] Ometepe Island—Unlike the insolent report by Deborah De Moss, assistant to Republican Senator Jesse Helms, Presidency Minister Antonio Lacayo's reaction to the report was somewhat timid. He replied to a question from BARRICADA by stating that "it would make no sense to refute it point by point because it would mean pitting the government's credibility against that of Helms."

Lacayo said this on his return from Ometepe Island, the last leg of his two-day working tour of several projects and municipalities in Region 4.

Aboard the tugboat that carried part of the delegation accompanying him, Lacayo told local journalists that the recent report by the U.S. General Accounting Office (GAO) on the good use of U.S. aid to Nicaragua will be compared to the report by the Helms staff, which demands that the Chamorro government make dramatic changes in exchange for the disbursement of U.S. aid.

While the tugboat "swayed" on the not so calm waters of Nicaragua Lake, Lacayo commented that the GAO report "carries more weight because it comes from an institution of the U.S. Congress." To the benefit of "Nicaraguans," it has been released at the same time the De Moss report was issued.

Regarding the aid ($104 million) withheld since May because of objections by Helms, Lacayo said only the "implementation" of what was agreed on during his visit to Washington in July is needed. This is the Bush administration's promise to release the funds.

Lacayo said that on 2 September the government will try to explain in a "coherent" way the system to solve the property problem, over which there is conflict, and it will grant the Chamorro administration's first agrarian reform land title deeds to peasants.

"We have to legalize properties through agrarian and urban reform, but we also have to compensate those whose property has been unjustly confiscated," he said.

He said that efforts will be made to conclude the process to look for "those who abused the law. There are people who committed abuses. They have to leave the properties they seized."

He announced that Foreign Cooperation Minister Erwin Krugger will hold a news conference on 31 August to provide details of his efforts in Washington last week to obtain the disbursement of the withheld aid.

D. Ortega Urges 'Common Front'

PA3108234892 Managua BARRICADA in Spanish 30 Aug 92 p 5

[Text] Former Nicaraguan President Daniel Ortega urged all Nicaraguan social and political sectors to form a common front in defense of national sovereignty after learning the contents of the so-called "Moss Note," which demands dramatic changes by the government in exchange for the release of U.S. aid.

Former President Ortega hopes the Nicaraguan Government will not cave in to this type of pressure, otherwise only the Nicaraguan people's armed self-defense could halt the onslaught of U.S. interference.

Bernard Aronson, assistant secretary of state for inter-American affairs, and Republican Senator Jesse Helms are the authors of the so-called "Moss Note," the Sandinist leader pointed out, recalling that both politicians have been against the nation's reconciliation and reconstruction policy.

The Aronson and Helms proposal, through the "Moss Note," contradicts President Bush's proposal for Nicaragua of 27 February 1990, when he talked about unrestricted support for the process of change in Nicaragua, Ortega noted.

This policy, said the Sandinist leader, is a reflection of the U.S. blind policy that has misinterpreted the changes in Eastern Europe. They (the United States) think their current world hegemony is infinite. But they do not take into account new world economic and political blocs that demand a new standard in international relations.

To conclude, Ortega emphasized that times have changed and if the "Knok Note" [from Philander Knok, U.S. Secretary of State, in 1909] resulted in the removal of [President Jose Santos] Zelaya, the "Moss Note" will not remove the Nicaraguan people's disposition to defend their national sovereignty.

This government's future, said Ortega, will depend on the attitude it takes toward the U.S. administration. The people will not recognize as legitimate a government that hands over its national sovereignty.

The report, signed by Deborah DeMoss, recommends the United States not grant Nicaragua economic aid in 1992 and 1993 until a number of demands are met, among them the replacement of the Sandinist People's Army and police commanders with former contras.

The note also demands total reform of the judiciary system, the return of all properties confiscated from U.S. nationals and Nicaraguans, and the investigation of the deaths of Jean-Paul Genie, former Nicaraguan Resistance [RN] Colonel Enrique Bermudez, and 217 RN members.

Editorial Seeks Alternatives for Frozen Aid

PA2908014692 Managua BARRICADA in Spanish 27 Aug 92 p 11

[Editorial: "Open-Ended Street"]

[Text] The tangible delay in the disbursement of the $104 million promised by the Agency for International Development and the heightened political pressure from Senator Jesse Helms and the State Department are endangering the current legitimacy of the Violeta Chamorro government and its future stability.

The president and her leading spokesmen have repeatedly stated that the government is not run by external pressures and that it is committed to an independent foreign policy, a legitimate aspiration. Washington's decision, however, to tighten screws, despite the promises made by former U.S. Secretary of State James Baker, has revealed the existence of contradictions within the government regarding the strategy that must be followed.

The easiest solution, and also the most antinationalistic, would be not to contradict U.S. interference and to be docile and submissive. In the race to have party interests prevail, attempts are being made to camouflage foreign dictates as if they were a normal part of the country's activities, but this remedy may turn out to be worse than the illness.

As soon as economic dependence in matters of foreign cooperation becomes political dependence, we would be declaring the country's institutional paralysis. No constitution, law, branch of government, or national institution would be spared from the insatiable U.S. pressure to mold Nicaragua to its own will and whim. The worse thing about this is that the country would be totally powerless because the government would have been stripped of all mediating capabilities when facing a foreign force that is even more polarizing than the one we know.

In addition, the indefinite retention of the U.S. aid—the worst of cases would be after the U.S. elections— could only be endured by making drastic changes to our economic policy, which because of its huge social cost, could also endanger the stability of our democratic institutions.

Thus there is no easy way out. A way out can be found provided our national autonomy is preserved and we start to agree among ourselves on how to unleash our domestic economic reserves.

We believe the government must hasten a solution to the property problem, which is the political knot of the national crisis. This should not be done to satisfy the demands of a minority of 150 U.S. claimants whose properties were confiscated, but instead to give security to new proprietors who are awaiting for signs of stability to take greater production risks. At the same time, as a basic element of national consensus, it is essential that

the indemnification policies be debated to compensate those people whose properties were unfairly confiscated.

The Sandinist promise of property deeds through the agrarian reform and deeds to other properties ceded through privatization—which coincides with World Bank recommendations—cannot wait any longer. The future of a reactivated production depends greatly on this. Even if it is slow, this could be the first step to overcome the frozen aid.

Sandinist Deputy on Need for FSLN 'Congress'

PA0109014692 Managua LA PRENSA in Spanish 29 Aug 92 p 4

[Article by Felix Navarrete]

[Text] Jose Leon Talavera, a Sandinist deputy and former vice foreign minister, has reported there is a consensus in his wing on the need for the Sandinist National Liberation Front [FSLN] to hold an extraordinary congress and partially renew the National Directorate [DN] through direct and secret ballot and to do away with that cliche that "leaderships are forever."

Talavera does not feel that renewal of the DN is a taboo subject, as other Sandinists believe. Talavera said that the nominations of Dora Maria Tellez, Danilo Aguirre Solis, and Herty Lewites have received support and consensus from the Sandinist wing.

He also said he is sure that Daniel Nunez, leader of the National Union of Farmers and Cattlemen [UNAG], and Damaso Vargas or Lucio Jimenez could be candidates for the DN, as they have the support of the party ranks.

The deputy feels that Deputy Herty Lewites has the support of a strong and rising economic group within the FSLN.

"I think we must recover the right of each Sandinist leader or cadre to be a candidate for the DN," said Talavera, without fearing whether Daniel Ortega and the other DN members think the contrary.

In his contribution to the Sandinist debate, Talavera shares the criteria that the DN's partial renewal could lead to the total reorganization of the party. Furthermore, he said, perhaps we would have to redefine the role of the DN and the other FSLN bodies.

According to Talavera, further evidence that the DN no longer has the same authority it had when it was in power is the fact that the UNAG, the National Workers Front, and other Sandinist labor unions do not need the DN's approval to take action. "The DN today has less influence," he added.

Talavera, who is considered one of the clandestine members of the FSLN "center" group, feels that it is necessary to elect new FSLN leaders. He hinted that only one-third of the current directorate would be ratified by the Sandinist ranks.

There is a consensus within the wing that we need to renew part of the DN and we have "our candidates," the Sandinist deputy said. Talavera hopes that the future DN will be pluralist and representative of the various trends within Sandinism.

Asked about the leadership of FSLN General Secretary Daniel Ortega and his reelection, Talavera said Ortega has the support of the Sandinist ranks. He admitted, however, that "he could not say the same thing about other DN members."

Nonetheless, he believes it is necessary to promote a debate within Sandinism and renew part of the leadership so that in the future the DN will be more representative of the FSLN, which "will combine the historic with the new and become an organization that reflects the diversity of trends within Sandinism."

Talavera believes that the extraordinary congress should be held during the first six months of 1993 and not late in December, as it has been said. He was very firm when he said that the main point in the agenda should be: "The partial renewal of the DN. There is no doubt about that."

FSLN Refuses Request

PA3108211592 Managua LA PRENSA in Spanish 29 Aug 92 p 1

[Article by Emilio Zambrana]

[Text] In a contradictory communique, the directorate of the Sandinist National Liberation Front [FSLN] has refused the request of some members to hold an "extraordinary congress" to incorporate new members into the National Directorate [DN], while it insists that it is necessary to promote internal changes "to strengthen the cohesion and unity of Sandinism."

For several weeks now Sandinist leaders, including Deputy Herty Lewites, Jose Leon Talavera, and Danilo Aguirre, among others, publicly advocated the need to hold an "extraordinary congress" to discuss controversial topics that were left "pending," according to the Sandinist leaders, during the FSLN Congress held in July 1991.

The Sandinist DN said in its communique that there was no need to hold the "extraordinary congress," and it pointed out that the FSLN members urgently needed "to fight against unemployment and hunger and in favor of property, health, and education...," thus delaying any debate about reorganizing the FSLN as a party in the face of Nicaragua's democratic process.

In one of its "regular" meetings, the FSLN DN described as positive the promotion of a process of reorganization

within Sandinism that has become the Gordian knot of the Sandinist leadership itself.

The pro-Sandinist daily BARRICADA carried banner headlines on 29 August on the FSLN decision not to hold an extraordinary congress, reading: "DN does not assign priority to congress," which has been considered an upright decision of the Sandinist leadership.

Sandinists Attempt To Keep Control of Police

PA2908013892 Managua Radio Catolica in Spanish 1100 GMT 27 Aug 92

[Text] There are reports that the Sandinists have increased their pressure to remove the advisers of Minister Mendieta who endorse the changes within the Government Ministry. It is known the changes that will be made in the police are part of a commitment made by the Chamorro government with the U.S. administration to unfreeze U.S. aid.

The extent and dimension of those changes are in question. The Sandinists accept some changes in the command of the police, but they are trying to leave things unchanged. In other words, they want to remain in control.

Some factors lead us to believe that the changes that will be made to the police and Armed Forces will be real changes, changes that subordinate military and police forces to civilian authorities.

Meanwhile, the Sandinists are exerting pressure so that the changes to the police will actually leave things unchanged. Various Sandinists have been mentioned to occupy the post of deputy government minister in order to take control of police. Among them, Dr. Rodrigo Reyes, former president and current magistrate at the Supreme Court and a well-known Sandinist, has been mentioned. Another candidate is Government Ministry Secretary Juan Gaitan, one of the deputies of the so-called center group, who left his legislative seat to Gustavo Tablada. Gaitan has been one of the strongest supporters of Lacayo's policies and he backs the actions of Sandinists at the ministry. Recently, Gaitan and Deputy Government Minister Joaquin Lobo were seen meeting with Police Chief Rene Vivas Lugo.

Minister Mendieta has stated that deep changes must be made at the police, as he has told the president. The minister is supported by his team of advisers, who are young professionals with honest backgrounds. The Sandinists have exerted pressure to remove various advisers, including Dr. Alfonso Sandino, who identified himself as a human rights advocate within the Government Ministry.

The Sandinists want to propose Fernando Caldera for the post of police chief, despite the fact that he has a long and dark history of torturing and repressing people in Region 5. Caldera was one of the individuals who expelled Monsignor Pablo Antonio Vega from the country. Fernando Caldera, then government delegate in Region 5, told Msgr. Vega: Get out of the country, you no longer have a fatherland. FSLN [Sandinist National Liberation Front] delegate Agustin Lara, and other Sandinist soldiers expelled Msgr. Vega from the country, placing him in a helicopter. The fatherland is never lost, for it is within the heart, Msgr. Pablo Antonio Vega, who returned to his prelacy in Juigalpa, then replied.

Fernando Caldera, current police chief in Region 5, is one of the candidates for the post of police chief to replace Rene Vivas Lugo.

Minister Lacayo is promoting changes of figures within the police, without really changing anything, as part of an agreement with FSLN members.

Vivas, Others Reportedly To Leave 5 Sep

PA3108225892 Managua Radio Sandino in Spanish 1830 GMT 31 Aug 92

[Text] Sixteen high-ranking National Police officers, including Police Chief Rene Vivas, will be relieved of their posts on 5 September. A source very close to Government Minister Alfredo Mendieta told the "Radio Informaciones" newscast that three regiment commanders, 10 commanders, and three deputy commanders will lose their jobs with the police and join civilian life.

The Police Commanders Council, which still operates, negotiated with the government for houses, farms, vehicles, and a considerable undisclosed amount of money for each of the high-ranking policemen who are going to be fired.

Our source told us that 1,000 police officers will be discharged nationwide and that there is much discontent among them because their chiefs did not negotiate on their behalf any worthwhile benefits from the government as compensation for their years of service.

Helicopter Transaction With Peru Explained

PA0109024992 Managua Radio Nicaragua Network in Spanish 1700 GMT 31 Aug 92

[Communique read by Danilo Lacayo, director of public relations and official spokesman for the Presidency, issued on 31 August in Managua]

[Text] 1. The government of President Violeta Barrios de Chamorro has encouraged an in-depth Armed Forces reduction plan, which after 28 months of peace and national reconciliation has achieved a reasonable balance for a force in the Central American region.

2. By virtue of this in-depth reduction, the Army has attained its new structure and has now definitely entered a professional and institutional stage, as the president promised in her electoral campaign.

3. Simultaneously, the Presidency has instructed the Army to seek ways to substitute inventories and arsenals intended for war use with other inventories and goods intended for peace, in keeping with the peace accords signed by Nicaragua.

4. To this end, the Army General Command, with the proper presidential authority, began direct negotiations with the Peruvian Armed Forces to transfer military helicopters and other Nicaraguan Army goods to the Peruvian Armed Forces.

5. This transaction will allow the Nicaraguan Army to procure civilian-style U.S.-made Bell helicopters that will serve to transport cargo and personnel in varied tasks, such as to support the civilian population and government work. This transaction will also allow support to be given to the Nicaraguan Navy in the form of different types of craft to be used to fight international drug trafficking and for the required urgent protection of our maritime resources.

6. Other resources earned from this and other transactions that are under way will be used to strengthen the Army institutionally and professionally through the creation and funding of an Army pension fund, which will allow active duty officers a dignified retirement when they end their careers. Currently, these officers do not have any sort of social security. This pension fund will be regulated and administered by the proper laws.

7. The value of this transaction is equivalent to $20 million.

[Issued] Managua, 31 August 1992

Ambassador Denies Rebels Receive Honduran Aid

PA3008034092 Managua Sistema Nacional de Television Network in Spanish 0300 GMT 27 Aug 92

[Text] Alvaro Romero, the Honduran ambassador to Nicaragua, has denied reports that insurgent groups in Nicaragua are receiving supplies from neighboring Honduras. Attacks conducted over the past few days by rearmed groups have caused the deaths of policemen and Army troops.

[Begin Romero recording] Our security and air surveillance system precludes any flights from Honduras for the purpose of drug-trafficking or any form of support for insurgents in Nicaragua. [end recording]

The ambassador also announced that as of 1 September Nicaraguans will no longer need to have a soldier in their vehicles when they cross Honduran territory.

[Begin Romero recording] As of 1 September, individuals or families traveling in their vehicles will not be required to have a guard aboard. This also applies to tourists in transit or traveling to Honduras. Cargo vehicles, nevertheless, are still required to have a guard. [end recording]

Drug, Arms Agreements Reached With Costa Rica

PA3108200992 Managua LA PRENSA in Spanish 30 Aug 92 pp 1, 12

[Report by Roberto Orozco]

[Text] Nicaraguan Government Minister Alfredo Mendieta and Costa Rican Government Minister Luis Fishman proposed in Managua on 29 August the creation of a single Central American front to fight the "scourge of drug trafficking."

After announcing the agreements signed by the two ministries and the Sandinist People's Army (EPS), the two government ministers said drug trafficking is increasing "in an almost uncontrollable manner."

"We believe drug trafficking has intensified in Central America in recent years because of the offensive against that activity in Colombia and the Andean countries," Fishman said.

So far this year 2,000 kg of cocaine have been seized in Costa Rica and 1,000 kg in Nicaragua.

Fishman stressed that in Cuajiniquil, a town on the border with Nicaragua, 1,500 kg of cocaine were seized recently.

"That is why we believe Central America is no longer just a transit point for the drug; our intelligence reports indicate that warehouse sites have been established," the Costa Rican government and public security minister added.

"I told President Chamorro in my meeting with her that if we do not form a common front now it will be difficult to fight drug trafficking later, and U.S. and European aid to do so will be insufficient," Fishman said.

The idea was supported by the Nicaraguan Government minister, who said the agreements signed on 29 August include efforts to hold a meeting this year, possibly in Costa Rica, to find the means to fight drug trafficking.

Mendieta said drug traffickers have "nearly unlimited resources" to conduct their activities, and the Central American governments have few resources for the struggle against that scourge.

The agreements support a meeting among the other Central American countries, Panama, and Mexico to outline a strategy and establish policies for international cooperation.

Nicaragua and Costa Rica will establish a speedy system to exchange information on drug trafficking activities.

Costa Rica will cooperate with Nicaragua through the Joint Counternarcotics Intelligence Center and will make its computer systems available for the same purpose. Periodic meetings of officials from the two countries will also be held.

In the immigration area, the bilateral cooperation agreements include, among other points, the expansion of service hours, the establishment of border posts, and the granting of multiple visas and permits to border area residents to prevent illegal crossings.

Nicaraguan Army Chief General Humberto Ortega and Minister Fishman signed important agreements on security, civil defense, and ground, naval, and air patrols.

In the area of security, the officials agreed to fight the trafficking of weapons and military equipment destined for individuals, groups or organizations, and unconventional forces or armed groups in the region.

In their respective territories each of the countries will strengthen the mechanisms of control and surveillance over border posts; land, river, or maritime border routes; and any other border site susceptible to illegal arms trafficking.

The countries will also exchange information on this topic and establish permanent channels of communications.

Gen. Ortega said the EPS has already carried out its reduction process, which has allowed improvements in its military technology. "That is why we have the human and material capability to patrol by air, land, and sea."

The signatories pledged not to allow the use of their territories by subversive groups and unconventional forces seeking to destabilize their respective governments and said they would exchange any information in that regard.

Libya, Iran Reportedly To Send $100 Million

PA3108234092 Managua Radio Catolica in Spanish 1100 GMT 31 Aug 92

[Text] Daniel Ortega has publicly recommended to the government that it forget about the United States. This would strengthen the country's so-called cogovernment. We asked our colleague Luis Mora about the rumor that is circulating that says the Nicaraguan Government is seeking financing in the Middle East. Here is our colleague Luis Manuel Mora Sanchez:

[Begin Mora recording] Good morning, friends of "The Awakening" newscast. Reliable sources have confirmed to this journalist that the Nicaraguan Government is reportedly about to receive a payment of $100 million from Libya, meaning Mu'ammar al-Qadhdhafi's regime, and Iraq—excuse me—Iran. [end recording]

Panama

Exclusion From Area Agreement With Mexico Noted

PA3108195292 Panama City LA ESTRELLA DE PANAMA in Spanish 29 Aug 92 p A-4

[Editorial: "Panama's Geographic Ambiguousness"]

[Text] Throughout its history the Republic of Panama has enjoyed an enviable geographical position. That privilege is due to the country's narrow midsection. Many years ago it became an unavoidable route from one ocean to the other, and the Panama Canal was built to benefit the world. Paradoxically, however, Panama's regional position in the international context has not been clearly defined. Panamanians are sentimentally inclined to be part of Central America due to our customs and close proximity to those countries. However, the Central American governments and peoples do not view Panama as part of that territory. To a certain extent, economic factors have prevented our final incorporation. No other Panamanian Government has been closer to Central America than the present one. President Guillermo Endara has been invited to all the Central American presidential summits, but for various and complex reasons, Panama's incorporation into the Central American isthmus has not been possible. Our country was therefore excluded from a commercial agreement signed between Mexico and Central America to eliminate customs barriers.

The agreement was formalized by the area economy ministers at a meeting in Managua, Nicaragua. The basic agreement established a four-year deadline for the creation of a free trade zone.

Panama was not invited to the signing of that agreement, although our country's incorporation into the currently existing or future economic institutions in the area had been announced. The agreement, signed 10 days after Mexico, the United States, and Canada approved their agreement, marks the end of the initial phase of a plan to establish a free trade zone between Mexico and Central America. The Panamanian Government logically views the agreement with great concern, given the cordial relations that exist among the Central American leaders. It has been said that in addition to Panama's indefinite geographical position, its exclusion from the treaty could be due to its strained relations with Mexico that stem from political problems between the two nations. Although Panama was not included in the agreement, reports indicated that a representative from our government was present at the meetings as an observer. Mexico recently signed a free trade agreement with the United States.

The economic world is moving in blocs. Despite its enormous commercial and economic power, the United States has had to resort to that bloc formula along with nations on the old European continent. Southern Cone countries, through regional organizations, have grown stronger and have a more distinct identity. Europe has been trying to establish a single currency for the entire continent. In that regard, we could say that Panama is alone. The basic agreement recently signed in Managua seeks to strengthen economic and commercial relations among the signatory nations, thereby increasing and diversifying their activities. We have to do something in that direction. It is necessary to expedite the plan to join

Central America, find ways to harmonize discrepancies, and in that manner strengthen our economy.

The agreement between Mexico and Central America is intended to increase exports in the area, encourage investments in order to develop market opportunities, and promote the creation of binational and multinational companies. It has been said that in view of the unequal economic conditions between Central America and Mexico, duties will be gradually reduced. Mexico has assumed a leading role in opening commercial barriers on the continent. It is an experiment that has already had positive results in the agreements' signatory countries.

Bernal Arrest in Costa Rica Requested

PA3108161592 Panama City LA PRENSA in Spanish 29 Aug 92 p 1A

[Article by Ibeth Vega]

[Text] The Panamanian Foreign Ministry has instructed its embassy in Costa Rica to request the arrest of former Captain Jorge Eliecer Bernal with the expectation of future extradition, Deputy Foreign Minister Jose Mulino announced on 28 August.

Mulino said that following the Costa Rican Foreign Ministry's refusal to grant political asylum to Bernal, the Panamanian Government requested the immediate arrest of Bernal in order to formalize at a later date his extradition to Panamanian territory.

"We, however, have no knowledge of his arrest," Mulino explained, adding that Panama has not requested officially the extradition of Bernal "because we want to work this in stages, and following his arrest we will request his extradition."

Meanwhile, Melvin Saenz, director of the Costa Rican foreign policy office, said that the Costa Rican authorities do not know Bernal's whereabouts, and they do not even know if he is still in Costa Rica.

Argentina

Menem Reacts to 'Enemy of Democracy' Rico

PY0109020692 Buenos Aires BUENOS AIRES HERALD in English 29 Aug 92 p 11

[Text] (NA-DYN)—President Carlos Menem said yesterday during a press conference in Santiago, Chile, that former Army Lieutenant-Colonel Aldo Rico "is a completely reactionary individual who has participated in several coups d'etat and does not want democracy to succeed. He is an enemy of democracy."

Menem reacted in anger to Rico's statements that the legislators who approved the Continental Glaciers treaty with Chile would "eventually pay it with their lives." The President expressed his hope that Rico "will one day pay for the damage he did, for the people who died and those will forever suffer the consequences of his irresponsible action" during the two military uprisings he staged. [sentence as published]

Menem did not seem to be aware that in fact Rico had started serving a prison sentence for his participation in the Army rebellions when he was freed as a result of one of a series of presidential pardons devised by Menem himself.

On Thursday [27 August] Rico had stated during a radio programme that he was not ashamed of having "fought and annihilated Communists" during the military dictatorship and added that he "would do it again under the same circumstances."

In the programme, which dealt with the violent clash between Rico supporters and participants at the students and teachers demonstration, who held different protest rallies outside Congress on Wednesday evening, Rico refused to debate with human rights activist Graciela Fernandez Meijide and accused her of having "sent several youngsters to their death in the sixties and seventies."

Yesterday Menem commented that "Rico is always speaking about death and he is responsible for some deaths and for quite a few of the ills of the country."

In turn, Fernandez Meijide described Rico as "someone nostalgic of the violent years who is always looking for an enemy."

Commenting on Rico's assertion that he combatted Communism "weapon in hand," Fernandez Meijide said that "what Rico did weapon in hand was to defend the economic programme of (Jorge Videla's Economy Minister Jose Alfredo) Martinez de Hoz."

Meanwhile, Socialist Deputy Alfredo Bravo said that Rico "used to kill opponents to the government during the dictatorship, and now under a democratic system he labels people, but he is evidently an alien to the culture of democracy and feels more at home within the framework of a dictatorship."

'Battle' Over Intervention in Stock Exchange

PY0109025992 Buenos Aires BUENOS AIRES HERALD in English 31 Aug 92 p 7

[Text] (DYN-NA)—The battle between Economy Minister Domingo Cavallo and National Securities Commission President Martin Redrado over government intervention in the floundering Stock Exchange may be moving toward a resolution, at least according to one of Redrado's staffers.

Pedro Lopez, spokesman for the Securities Commission chief, told a local news agency last night "there is a conciliatory atmosphere" between Redrado and Cavallo, who returned from a trip to the United States last night. Lopez said the two men would meet as soon as possible and that his "message of an accord" between the two officials should "calm the media."

Meanwhile, despite the disputes the idea caused last week with Redrado, Defence Minister Antonio Erman Gonzalez and President Carlos Menem himself over whether the government should intervene to prevent wide price fluctuations in the Stock Exchange, Cavallo said yesterday his advisers would begin studying the possibility of gradually releasing shares of the remaining state-owned companies into the market.

Before returning home yesterday Cavallo stood by his previous assertions that Redrado would leave the commission in November to join the Investment and Foreign Commerce Bank, from whence he would direct the entry of state-company shares into the Stock Exchange as well as overall investments, Economy Ministry sources told a local news agency.

Cavallo arrived here yesterday evening and had planned to put an end to the weeklong controversy sparked by his announcement last Monday [24 August] that the government would buy and sell shares with a fund created with the profits from selling off state enterprises to prevent sharp changes in the market, a plan which drew fire from Gonzalez. Cavallo appeared to back off on the project two days later and blamed Redrado for the idea, asking him to step down against the wishes of Menem.

The sources said Cavallo would meet Menem in addition to Redrado and would make a definite announcement perhaps as early as this morning. One source claimed, "The struggle between Cavallo and Redrado is dead" because if the economy minister were forced to resign, "the great majority of his team would go with him."

Kuwaiti Embassy To Be Opened 'Later This Year'

PY2808191092 Buenos Aires Radio Nacional Network in Spanish 1500 GMT 28 Aug 92

[Text] The federal government has issued instructions for the opening of a Kuwaiti Embassy [in Buenos Aires], which will take place later this year. This decision, which constitutes a move to strengthen relations between the two countries, stems from the agreements reached by

President Menem and Kuwaiti authorities on the establishment of diplomatic relations between the two countries during Menem's visit to Kuwait. Current Argentine-Kuwaiti relations are handled by the Argentine Embassy in Saudi Arabia.

Information leaked from the Foreign Ministry points out that the federal government seemingly intends to appoint a career diplomat as ambassador to the Argentine Embassy in Kuwait. This will be decided next week.

* Alfonsin, Angeloz Vie for UCR Presidency

* Different Approach

92SM0566A Buenos Aires LA PRENSA in Spanish 26 Jul 92 p 6

[Text] While former President Raul Alfonsin will redouble his efforts next week to find "new internal allies" to win the presidency of the Radical Civic Union (UCR), Cordoba Governor Eduardo Angeloz will emphasize the need for the government and the opposition to resume the political dialogue, say party sources in both internal factions.

Separated by their differing positions with respect to the government, Angeloz and Alfonsin continued their travels all around the country last week in an effort to win party allies who would assure them of votes for the party presidency.

Alfonsin harshly critized the national government and proposed the formation of a "just say no coalition" [coalicion del no] in a recent interview with journalist Mariano Grondona. The governor of Cordoba, on the other hand, stated several days ago that "it is necessary for the government and the opposition to sit down and talk."

'Chilean Style'

Spokesmen for the Alfonsin faction, however, downplayed the so-called "just say no coalition," at least "for the time being," and added that the possibility of creating a pluralist opposition group "is still at the wait and see stage." They did say that Alfonsin believes that "a Chilean-style coalition" could be an interesting alternative for 1995.

Meanwhile, in San Salvador de Jujuy, Buenos Aires Deputy Leopoldo Moreau, who has direct ties to Alfonsin, declared that "it is not a question of forming an internal faction," adding that "it is a matter of finding a way for those of us who think the same to act the same as well."

The possibility of an alliance between Alfonsin and Senator-elect Fernando de la Rua appears to have been ruled out for now, according to sources close to the leader of the capital, who is more inclined to engage in dialogue with the government than to argue with it, at least to the extent that the former president does.

Angeloz supporter Melchor Posse, mayor of San Isidro, contended recently that "although it was Alfonsin who showed his old party how to fight for power," he added that "today people have raised a defensive barrier against which his speeches crash."

No Comparison

According to other sources, Alfonsin's statements about the "Chilean-style" coalition were not well received and were termed "pressured and sensationalist." His critics say that "we can disagree with the government on a lot of things, but we cannot compare it to the Pinochet dictatorship of Chile."

Consequently, unable to find any points of agreement with either De la Rua or Angeloz, the Alfonsinists have decided to "jump into the fray" in a unified bid for the party. According to leaders of the faction, "we will provide" a demonstration on 7 August at the Autopista Center, where the ex-president will launch the new Social Democracy Movement.

* New Faction

92SM0566B Buenos Aires LA PRENSA in Spanish 26 Jul 92 p 6

[Text] Cordoba (Telam)—The formation of a new internal faction, with a "national scope" in the Radical Civic Union (UCR) so that Angeloz can run for president of the nation in 1995, was decided upon here at the end of a meeting involving the principal players in the so-called Cordoba Line.

The main leaders of that Radical group agreed yesterday to form promotional boards that will pave the way for a new internal line with a national scope. This will enable party members from other factors to join the new group.

Behind Closed Doors

Behind closed doors in a downtown hotel, the Angeloz supporters deliberated all day long. In the end, they decided to launch promotional boards "immediately" in all provinces for the purpose of catapulting Angeloz into the party presidency and the presidential candidacy in 1995.

Provincial ministers, secretaries and undersecretaries, and Radical activists from throughout the province participated in the meeting.

* Internal Struggle

92SM0566C Buenos Aires LA PRENSA in Spanish 20 Jul 92 p 6

[Report by Guillermo Ariso]

[Text] The cards that will be played to determine the future of the Radical Civic Union (UCR) in the medium term have already begun to reveal themselves very clearly. There are not many alternatives, and each is limited in its leeway by the circumstances and the political times, both inside and outside the party.

The strategists in the Alfonsin and Angeloz camps are obsessed with one thing: control of the national committee beginning in 1993. But this is not an end in itself (in politics, hardly anything is). The line pursued by the party after next year will have a direct impact on the platform of the candidate who represents the UCR in the 1995 presidential elections. Therein lies the key to the struggle.

'Pan-Alfonsinism'

The gathering at Parque Norte showed the Alfonsinists—with the whole gamut of signs and positions: critical, orthodox, and ambiguous, among those that were most evident—against the rest of the world. That marked the birth of something that is called "pan-Alfonsinism" by some, while others speak of "post-Alfonsinism" or "neo-Alfonsinism."

Clever names aside, the sector that is looking for points of reference in the former president is not a homogeneous bloc. It does have common ideological preferences, but there are distinct shades, owing to "the need to differentiate" among its members, especially when they live in the same district and aspire to the same party posts.

Confident of their own strength, they express their hopes and desires for the coming year with surprising self-assurance. "Alfonsin was the first one to predict the problems the government would have. And while many sectors of society used to ask us to be quiet, now they are demanding our opinion," say those who are deeply involved in the launching of the Movement for Social Democracy, set for this coming 7 August.

Angeloz in September

But if the Alfonsinists are regrouping, the Angeloz supporters are not wasting any time organizing an incipient national structure, which traces its roots back to the 1989 presidential elections.

The faction led by the Cordoba governor is working on the official unveiling of its own program, which does not have a specific date but will take place towards the end of September, Angeloz supporters told LA PRENSA. They reason that "if he goes down to the intermediate leadership and the rank and file to engage in dialogue," the former presidential candidate will win over new followers and provide some surprises.

"The Menem government has carried out some of the elements of Angeloz's 1989 platform. It may have done them badly, but it has done them. What we must develop now is a controller-state, which does not exist in our country. The privatizations that have taken place have no effective control. Argentine Airlines is a concrete example," they explained.

"But the best program the UCR could possibly present would inevitably flounder if it were based on an alleged progressivism that did not really exist," they argued.

De la Rua Studies and Organizes

In view of this supposedly inevitable duality of choices, Fernando de la Rua is studying the theater of operations, but he is not remaining inactive. In keeping with his Tercerista position, the senator-elect has called the clash between Alfonsin and Angeloz "a false polarization."

The De la Rua faction is beginning to organize its followers at the national level, and, without losing contact with the Buenos Aires rank and file, it plans a series of visits in several provinces (it has already been to Salta). The idea is to showcase its Participation Movement, "which may be created spontaneously in the interior of the country," predicted De la Rua himself in a phone conversation with LA PRENSA.

Friday afternoon a number of national and provincial legislators close to the group led by Juan Manuel Casella and Federico Storani—two men who have had strong ties to the Alfonsinists, although they have shared podiums with De la Rua—announced that they will stage an event in Lanus in late August for the purpose of "avoiding polarization."

This initiative, which bears the label "convergence"—Alfonsin is hoping for a "rethinking" of that—is reportedly linked to Fernando de la Rua, and not just ideologically. When asked about the matter by this newspaper, however, the legislator responded with a laconic "I have not been invited."

Predictions and Strategies

The two principal axes of the confrontation are assessing their strength in preparation for the final battle. The Alfonsin camp rose up with an agonizing but trumpeted victory at the latest national convention, held at Parque Norte, which was a much-needed shot in the arm for the self-styled "progressive wing." But the Angeloz camp is making no secret of its intentions, it is calculating the increase in its political capital and projecting it according to the almanac. The defeat is viewed not as a tragedy, but as a show of potential.

For the time being, the Radicals are continuing their opposition offensive, projecting beyond the heat of the internal struggle. They have released a document (see separate article [not includede]) containing an assessment of the Menem government, in which they emphasize the socioeconomic situation. They hail the stability and the resultant effects, but they harshly criticize the methodology and the manner of distributing income, which translates into clear support for social demands, one of the few points on which all factions agree as they jostle for positions on the game board.

They do not, however, agree on the political debts that the government will have to refinance in the future. And while the Alfonsinists are convinced that "corruption will be eliminated once Menem is out," the Angelozists are more cautious: "After the electoral defeat and the rejection of the reform, the president will have to rethink

his political strategy. But it is clear that they have lost the man in the street, and that is extremely serious for Peronism."

* Senatorial Race in 10 Provinces Assessed

92SM0567A Buenos Aires LA PRENSA in Spanish 27 Jul 92 p 6

[Text] While the numbers on provincial legislatures indicate that the Justicialists are in an optimum position for increasing their bench in the nation's Senate by five next term, internal differences and confusion over possible candidates prolong the uncertainty over the men who will eventually join the upper chamber.

The names of the next senators have been decided in four out of the 15 provinces where elections are scheduled, but 10 districts have not yet decided upon either the mode of election or the candidates. In another seven, the situation is even more problematical for the Justicialists.

Federal Capital

The Federal Capital decided that Radical Fernando de la Rua will return to the Senate in December in place of Juan Trilla. Buenos Aires has already chosen former Governor Antonio Cafiero to replace Radical Adolfo Gass. Via its Legislative Assembly, Misiones chose a Justicialist to replace a man from the UCR [Radical Civic Union]: Julio Humada for Anibal Velazquez. Finally, in San Juan, *bloquismo* retained its control and will move Alfredo Avelin from the Chamber of Deputies to the Senate.

Each of the remaining districts is a tangle of disputes between sectors and candidates, not all of them having official backing, but with inconcealable aspirations, which will give the Upper Chamber a distribution of 32 seats for the PJ [Justicialist Party], which currently has 27, and nine for the UCR, down from its current total of 14.

The remaining seven seats will remain in the hands of the Correntino Liberal Autonomist Pact (two), the Neuquin People's Movement (two), the San Juan Bloquista Party (two), and the Fuego People's Movement (one).

The map is the clearest for Peronism in Mendoza, La Pampa, Formosa, and Entre Rios, with the most difficult situations appearing in Tucuman, Santa Fe, Salta, Jujuy, Catamarca, and Chaco.

Mendoza

In Mendoza, the Justicialists decided to hold internal elections in October or November, although former Governor Jose Octavio Bordon seems destined for Congress if indeed he decides to take the place of Radical Margarita Malharro de Torres.

Chaco

In Chaco, the defeat that the PJ suffered in the gubernatorial elections did not affect its majority in the legislature, even though a possible alliance between the Chaco Action Party (PACH) and the UCR would gain a larger number of votes.

The provincial Justicialist convention that will be held in August must decide whether to grant the lawmakers freedom to decide who will be senator or simply to confirm the name of the man replacing the leader of provincial Radicals, Luis Leon.

The 14 Justicialists, the eight members of the PACH, and a like number from the UCR will, according to all predictions, choose between former gubernatorial candidate Jorge Morales, who seems to be in the best position, and former chief executives Florencio Tenev and Danilo Baroni.

La Pampa

In La Pampa, the desires of Governor Ruben Marin, who comfortably controls the party, will be decisive in naming the senator since the Justicialist majority in the unicameral legislature is indisputable: 11 members, compared with seven for La Pampa's Convergence and three for the UCR.

From the party congress to be held in Eduardo Castex on Sunday will emerge, not only the political action line for the years ahead and the new provincial representatives in the PJ National Congress, but also the name of the man who will fill the bench vacated by Pedro Conchez.

So far, everyone is pointing to former national deputy and current head of the Eva Peron Foundation Carlos Aragones. The names of Nestor Ahuad, currently undersecretary of internal security and director of Customs, and Ambassador Zelmira Regazzoli have been practically discarded.

Salta

At the same time, Salta is the province with the largest number of candidates and the most divergent criteria dffor how fthey will name the man to replace Horacio Bravo Herrera. There are five candidates and four methods competing.

National Deputies Marcelo Lopez Arias and Silvia Troyano, the president of the provincial chamber, Eduardo Barrionuevo, leader Alfredo Musalem, businessman Arnaldo Etchart, and former Minister Julio Mera Figueroa are all looking to Buenos Aires.

The provincial legislature will meet in Metan on 15 August and everyone is betting on a different option before that date: an order from President Carlos Menem, internal elections, a provincial party congress, or freedom of action for lawmakers.

The PJ's majority in Jujuy is weakened by the split caused by the Lemas Law. Furthermore, the province will send two lawmakers to the capital because in addition to the incumbent who must be replaced because his term is ending, Alfredo Benitez, another must be named to replace Carlos Snopek.

However, not many names are being bandied about: Guillermo Snopek, nephew of the former senator; national Deputy Washington Cruz; and the head of the Bank of the Province, Jose Car.

Whatever the case, the resistance to certain names and the degree of separation between the different sectors causes the PJ to fear the potential loss of a seat.

Catamarca

In Catamarca, the picture is not much clearer. The heterogeneity of the alliance headed by the UCR and dissident Peronism play an important role here. Saadists intend to have trade unionist Luis Barrionuevo occupy the seat to be vacated by Julio Amoedo, but his forces seem to be collapsing.

Other names are being mentioned for the same seat. The Front of Hope will reportedly nominate the man named as its ideologist, Raul Blas Bosch, who is said to have the approval of Governor Arnoldo Castillo, although from the same side will reportedly come the candidacy of Deputy Miguel Marcolli, never accepted or denied.

The Justicialists, even though intervened, will reportedly run former gubernatorial candidate Francisco Sotomayor, who came in fourth in the elections won by Castillo. Whatever the case, the legislature must be convened before 10 August.

Formosa

Formosa has a far more complex map: The mere makeup of the legislative body (with 15 Justicialists, 11 Radicals, and four dissident Peronists, one of them president and all allied with the UCR) makes any prediction difficult.

For the time being, the Radical Convention, meeting only a few weeks ago, only mentioned Alfredo Benitez' replacement in passing and the only name thrown out so far is that of national Deputy Carlos Branda.

Santa Fe

The picture in Santa Fe remains unclear even though it was one of the districts where the fight over the seat began the earliest: Liliana Gurdulich de Correa seeks to keep the seat, Minister Alberto Kohan wants to win it, and two other leaders have begun to aim at the same target.

Carlos Funes, an operator for Governor Carlos Reutemann and his right arm during the campaign, and Marcos Bobio, brother-in-law of the former pilot of Formula 1, owner of Santa Fe's Channel 13, and a shareholder in Telefe in Buenos Aires, are also mentioned in certain circles as potential senators.

However, the conflict resides in the legislature's refusal to renew Gurdulich de Correa's mandate, Kohan's campaign in favor of internal elections to define the man, and the posture of Menem, who changed his initial support for the senator to a "I have no candidate" when he attended the start of the Santa Fe-Coronda Marathon.

Entre Rios

In Entre Rios, in the meantime, luck seems to be on the side of former Deputy Augusto Alasino, who has the approval of former Governor Jorge Busti and, if the bargaining undertaken succeeds, he could add the support of current chief executive Mario Moine.

Whatever the case, his support accompanied the recent launching of the candidacy of Rolando Kaelher, former mayor of Crespo and currently had of provincial roads, and the name of provincial Senator Daniel Welschel is being thrown out.

However, there seems to be little resistance to Alasino's accession to Congress, replacing Radical Luis Brasesco, even though to date, the differences will be settled in party elections.

Tucuman

Finally, Tucuman lists five names as likely replacements for Arturo Jimenez Montilla, each one with his own arguments and the calm knowledge that whoever wins the favor of the Justicialists will join Congress, given the clear majority exhibited in the legislature.

To the initial names of Roberto Toledo, one of the closest collaborators of Governor Ramon Ortega, and Julio Miranda, labor leader of the oil workers, are now added those of national Deputy Antonio Guerrero and Federal Judge Ricardo San Juan.

Almost without anyone's expecting it and with the strong base of meticulous work getting close to the lawmakers, the name of Vice Governor Julio Diaz Lozano has emerged in recent weeks and rapidly taken its place among the strongest candidates.

The map of senators who will take their seats on 10 December is completed with the election of leaders of the Neuquin People's Movement, who will take the seat left by Elias Sapag, although no one dares, either in the province or in the Senate itself, to air the possibility of a reelection of the same veteran leader.

To complete the confusion reigning in the Upper Chamber, it should be noted that the two senators from Tierra del Fuego, who recently took office this year when the former territory became a province, still do not know how long they will remain in their seats.

The Constitutional Affairs Commission headed by Santiago Justicialist Carlos Juarez has still not resolved the

issue of the length of the terms even though Peronist Daniel Martinez and Juan Oyarzun from MOPUF have had their offices since February.

* Buenos Aires Constitutional Reform Sought

92SM0567B Buenos Aires LA PRENSA in Spanish 24 Jul 92 p 5

[Text] La Plata (NA)—According to one highly placed source close to both groups, several leaders of the Justicialists and the Buenos Aires UCD [Democratic Center Union] have in recent days separately analyzed the possibility of calling a constituent convention to reform the provincial constitution and attempt to extend the terms of provincial deputies by two years so that they would run until 1995.

The same source added that while such a step has not yet been taken, there nevertheless exists "in the little heads of ruling party members, Liberals, and a few Radicals the idea of combining legislative and municipal elections with those for governor, so that they would be held every four years."

Such a standardization would create the prospect of "extending the terms of the current provincial and national lawmakers until 1995 so that they would remain in office for two more years," a proposal eagerly accepted by more than one deputy or councilman, whatever his political affiliation, the source said.

The purpose of the budding strategy would be to call the constituent convention for next year, a summons the province is required to answer since the "need" for constitutional reform has already been confirmed and the only matter pending is discussion by that body since the 1990 plebiscite rejected the mechanism of acceptance.

The source reported that leaders of the Buenos Aires UCD are stuck on this idea because next year "more than half of its representatives" come up for election. At the same time, "it suits the Radicals to accept it so as to benefit from a possible extension of terms, anticipating that, in 1993, the solid election results they won in 1989 will decline."

"Since the unification of elections has already been achieved for those holding office, it occurred to no one to stipulate that any new appointments of deputies or councilmen would be for two years, from 1993 to 1995, and they are all thinking about extending their own terms," the source added ironically.

The Justicialists' agreement with the official faction of the UCD, which has come within two years of a fierce dispute roused by rejection of constitutional reform in the plebiscite called by Antonio Cafiero, occurs in a drastically different picture.

Consolidation of the "Menemist" proposal and the increasingly explicit support of certain UCD leaders in various districts also has a novel expression in Buenos Aires via continuing statements by party head Hernan Luna on behalf of the government of Eduardo Duhalde, in contrast with his virulent attacks on the previous chief executive.

Certain observers suspect that the visit by Democratic Center Union founder Alvaro Alsogaray to Governor Duhalde had political and partisan motives, but the highly placed source consulted rules out such a possibility absolutely.

The source also denied that, given the prospect of platform and election agreement with the Liberals, the Justicialists "ever thought about including UCD candidates in their lists next year, particularly following the alliance's defeat in the federal capital on 28 June."

Brazil

Collor Interviewed on Impeachment Crisis

PY0109045992 Rio de Janeiro Rede Globo Television in Portuguese 0320 GMT 1 Sep 92

[Interview with President Fernando Collor by correspondent Alexandre Garcia in Brasilia on 31 August; presented by "Jornal da Globo" newscast anchorman William Bonner—recorded]

[Text] [Bonner] One day before facing a request for impeachment at the Chamber of Deputies, President Fernando Collor asserts: No political storm will succeed in shaking the solidity of Brazilian democracy. The president said in a long interview with reporter Alexandre Garcia, quote, the country has never been so alive, unquote. The president reasserted that he will not resign because he cannot delegate a mandate obtained through 35 million votes.

[Garcia] President Collor does not accept the idea of discussing the possibility of resigning.

[Collor] I am not that sort of man. I am not a man who will flee from a fight. I will fight; I have always fought. My life in general and my political life clearly show that. Things have never been easy for me. It was very hard for me to be elected governor; my life was in danger, and I was facing great problems....

[Garcia, interrupting] [Words indistinct]

[Collor] Yes, the same thing occurred also in the presidential elections. Now the same thing is occurring again, but I trust my allies. I trust my allies in the Chamber of Deputies. I know them.

[Garcia] According to the president, the mandate obtained in the ballot box cannot be delegated.

[Collor] I am here because I was elected in the two rounds to fulfill the mandate. In the first round I was elected with more than 20 million votes, and in the second with 35 million votes. This means that my mandate cannot be delegated.

[Garcia, interrupting] [Words indistinct]

[Collor] These demonstrations are very characteristic of the moment of difficulties we are all facing. There are not only...[hesitates] acts of improper behavior, of misuse of resources that will...[corrects himself] that are being and will be punished. It doesn't matter who is responsible for them; whoever it may be, that person will be severely punished within the framework of the law.

[Bonner] According to the president, Paulo Cesar Farias was not the only one to betray him.

[Garcia] Yesterday you said that one of your mistakes was in trusting some of your friends too much. Is Paulo Cesar Farias one of them?

[Collor] Without a doubt, without a doubt.

[Garcia] Do you think you made a mistake in trusting him?

[Collor] You know you have made a mistake when you see the results. I told each Brazilian, through television, as a human being, that I am...[pauses] People sometimes look at the president of the Republic and believe that he is a superman, that he cannot make mistakes. Even the president, despite the position he fills, is a human being. He has feelings, he suffers, he cries, he has joys, he has satisfactions. Therefore, as a human being and because I believe very much in human beings...[pauses] I believe in people, I cannot distrust everybody or somebody, because by being distrustful one makes life a torture. I trust people, I am a credulous person. Unfortunately, I made a mistake and my mistake was to place too much confidence in people who showed that they did not deserve my confidence.

[Garcia] You are using the plural; so far we have mentioned only one person. Is there more than one?

[Collor, sighing] Undoubtedly, there are many, there are many.

[Bonner] According to the president, the Congressional Investigating Committee, CPI, work was characterized by an emotional climate.

[Collor] After the CPI concluded its work and the situation became calmer, we realized that the CPI performed its work in a very emotional climate. The political theater created around the CPI instilled fear in society. The CPI has concluded its work without any interference by the president of the Republic, no interference at all. The president placed no obstacles in the way of the investigation. On the contrary, the president helped the investigation so that it could arrive where it did. Now that the investigation has ended—as churchgoers say with consistency, as the Bible says, there is a time to remain silent and a time to speak. This is our time to speak. It is our moment to expose, explain, give answers so that people can hear the other version. The population has only heard one side of the story. All this time—more than two months—the population has only heard the viewpoint against the government. The government was massacred over more than 60 days with news against the president, against the administration. At no time did the government have a chance to give its version. The population will make a decision after it hears the two versions. Then the population will decide which is correct.

[Bonner] One complaint: the invasion of privacy. The president said that the investigation did not even spare the Casa da Dinda [presidential residence] garbage.

[Collor] What is important, what we must stress, is that demonstrations are proper for a democratic regime. They are an example of full and absolute exercise of individual freedoms—individual freedoms that were violated in my case. Never before in this country has a president allowed anyone to dissect and investigate the life of the president as I did. At no time did I put any hurdles in the way of the investigation inside or outside the CPI. On the contrary, it was I who asked that the investigation be open. I asked the Attorney General's Office to follow the proceedings because, as any other citizen, I also wanted the truth. Officials investigated my home's garbage, my telephone calls, my bank accounts—all that under the protection of the law. Just imagine. Would you not feel uncomfortable if someone was investigating your garbage to know the kind of product you use for this or for that? Just imagine your discomfort if anyone had access to your telephone accounts, your privacy. I permitted all that without complaints in the name of individual freedoms.

With this attitude I wanted to show that I wanted clarity and the truth to come out.

[Bonner] President Fernando Collor sees the street demonstrations, dominated by the color black, in this way:

[Collor] Those demonstrations are absolutely correct in a democratic regime.

[Garcia] Are the people right, then?

[Collor] Of course, of course they are right. I think the people who went out into the streets, consciously, to protest against corruption are absolutely right.

[Garcia] And to protest against you as well.

[Collor] Yes. But this is what I am saying. The people who deliberately went out into the streets could not have protested against me, because I was elected with that flag on my shoulders. I can carry the flag with other people, but it is my flag. I have given evidence of that daily.

I am the president who has prepared and produced the strongest laws to fight corruption.

[Garcia] The presidential strategy during the voting for impeachment in the Chamber of Deputies will be to have total confidence in his allies.

[Collor] The president of the Republic, talking with the presidents of the two congressional chambers, has never expressed any interest in or suggested to any of the parties that make up the political basis of the government in the National Congress, or specifically in the Chamber of Deputies, how they would vote on the matter. We do not want to gag our allies. We know that they will vote with their conscience. I have no doubt that their conscientious vote will be a vote for Brazil, for democratic stability, for the consolidation of the institutions, and for the tranquillity the Brazilian society needs to continue working on the reforms which are essential for the modernization of Brazil.

[Garcia] The president has confirmed that he refused to accept the proposal made by Jorge Bornhausen that Congress would accept the modernization projects of the economy in exchange for the assumption of power by Vice President Itamar Franco.

[Collor] That was one suggestion among many others, but at no point did the ministers express a real conviction that it was a real alternative and that I should accept it, arguing that it was the best alternative. This is because it was not a good alternative.

[Garcia] A good point. The crisis has not paralyzed the country.

[Collor] The other argument was that the country was paralyzed. That is not what the numbers are showing. That impression can exist, but you can see that this month, and specifically on 27 August, we hit a record in exports. Our international reserves have never been as high as they are now, by the end of this month of August. Our commercial surplus has never been as favorable as it has been now, during this last day of August. There is news published by specialized newspapers of industry associations indicating that there is an industrial reactivation process.

[Garcia] The president guarantees that the Brazilian democracy is solid. It can face any storm.

[Collor] The country is stronger than ever, and what must be stressed is that despite all these difficulties the country is developing both in the economic and in the political fields, regardless of all those difficulties. There is a demonstration of the country's political maturity. People are aware today that the country is democratically mature enough to face all difficulties and any storm. This is the country we want. A country democratically solid looking with hope toward the future.

Ministers Praise Collor Speech, Vow Support

PY0109003292 Brasilia Voz do Brasil Network in Portuguese 2200 GMT 31 Aug 92

[Text] Mines and Energy Minister Marcos Vinicius Pratini de Moraes and Transport Minister Afonso Camargo said today that they are working normally and cooperating with the government to make the country governable. They praised President Fernando Collor's speech. According to Pratini de Moraes, the president explained a number of issues to the people:

[Begin Pratini de Moraes recording] It was a good speech. The nation was expecting a speech of that nature. The president explained a number of issues. [end recording]

Transport Minister Afonso Camargo said that Brazilian democracy is being put to a test:

[Begin Camargo recording] I think the president is in continuous contact with public opinion. I think he has the right to say what he thinks and the right to defend himself from attacks. I have always said that we must follow this whole process within a normal climate, democratically. We are implementing the democratic system in the country, and it is proving to be solid. We cannot deprive the president of saying what he thinks, of giving his opinion, of criticizing those who criticize him. We are going to continue working with him. [end recording]

Ministers Pratini de Moraes and Carmargo said that they will honor the commitment to work with the objective of making the country governable. Justice Minister Celio Borja said this afternoon that no minister will leave the government.

Economy Minister Marcilio Marques Moreira also commented on the speech delivered by President Fernando Collor. He stressed the president's efforts in getting projects approved which are extremely important for the country:

[Begin Marques Moreira recording] The economy minister is charged with the area involving the great national reconstruction project. I think it is appropriate to note the continuous efforts by the president to approve, to discuss, to evaluate projects which are extremely important for the country, projects such as the modernization of ports, the law concerning industrial property—that is, the intellectual property law—the law regulating the National Legal Adviser's Office, and the set of projects known as the big amendment in fiscal reform, which are extremely important so that the federal government, the states, and the municipalities may recover their financial resources and guarantee an economic and financial stability, a macroeconomic stability. In this manner the fight against inflation will be continuous, and by fighting inflation we are going to create the appropriate conditions for an economic recovery. Second, the state, in the broadest sense, will be able to render better services to the people, such as services of health, education, transport, sanitary service, and others which are part of state functions. [end recording]

PDS [Democratic Social Party] Leader in the Chamber of Deputies Jose Lourenco believes that President Collor has received more popular and congressional support with his speech delivered yesterday. After a meeting with

President Fernando Collor this afternoon at Planalto Palace, Deputy Lourenco said that 80 percent of PDS deputies are supporting the government and that they will vote against the request for impeachment of the president. The PDS bloc in the Chamber of Deputies comprises 44 congressmen. Lourenco also referred to the speech delivered by the president on 30 August:

[Begin Lourenco recording] The speech delivered by the president was extremely important. Today there are good indications, and I already detected greater popular support for the president, and of course this leads to more support in Congress as well. There is total harmony between Congress and the people. So when the nation begins supporting the president more consistently, it is also reflected in Congress. [end recording]

Deputy Lourenco added that the president is personally talking with congressmen and that the best interlocutor between the executive and the legislative branches is the president himself, with the support of ministers such as Jorge Bornhausen and Ricardo Fiuza.

Lourenco concluded by saying that the government today has more than 200 votes in support of the president.

Bornhausen 'Will Stay' Until Impeachment Vote

PY0109020492 Rio de Janeiro Rede Globo Television in Portuguese 2300 GMT 31 Aug 92

[Text] Government Secretary General Minister Jorge Bornhausen has confirmed he will stay in his post until the Chamber of Deputies votes on the impeachment. Tomorrow the PFL [Liberal Front Party] will decide if it will continue supporting the govenment.

The government coordinator was ready to leave the government, but changed his mind after talking with the economy and justice ministers. The ministers discussed the governability pact signed by all ministers last week. The document committed all ministers to stay in their positions until the Chamber of Deputies votes on the request to impeach President Fernando Collor. The document was coordinated by Minister Jorge Bornhausen himself. This is why he will continue in his post, even though President Collor refused to accept his suggestions for yesterday's speech, and despite the fact that he has not talked with the president since last Saturday.

Planalto Palace commented on the situation through Presidential Spokesman Etevaldo Dias, who minimized the existence of disagreements.

[Begin Dias recording] The government does not see any trouble. The minister is very comfortable and very close to President Collor. [end recording]

Bornhausen's secretary refuted Dias' remarks denying him the right to speak on Bornhausen's behalf, and reiterated what the minister said yesterday, that he is uncomfortable in the government and did not participate in the final draft of President Collor's speech. Minister Bornhausen spent the day talking with PFL leaders inside and outside the palace. A short time from now the PFL leadership will meet to decide the party's position in the government. Senator Marcos Maciel also attempted to leave the position of government leader in the Senate. He will discuss the point with members of his party in Congress, but he has already said that he supports Minister Jorge Bornhausen's suggestion to President Collor that he should negotiate his resignation with Congress.

[Begin Maciel recording] I only said what I am repeating now. It would have been a good idea to accept the suggestion, because in that way we could have a quick solution to the crisis. [end recording]

Decision Analyzed

PY3108184292

[Editorial Report] Rio de Janeiro Rede Globo Television in Portuguese at 1600 GMT on 31 Aug carries a report from Brasilia stating that Government Secretary General Minister Jorge Bornhausen today met for more than two hours with Justice Minister Celio Borja and Economy Minister Marcilio Marques Moreira and that "he decided to keep his promise and remain in the government."

The report continues: "Although Ministers Borja and Marques Moreira did not reveal anything about the meeting, they arrived at Planalto Palace before 1000 today to discuss the possibility of Bornhausen's resignation. The three ministers reevaluated the letter to the nation released last week by the cabinet in which they promise to continue working to guarantee the governability of the country." It adds: "One of Bornhausen's advisers said he is annoyed because President Collor did not accept his suggestions in his speech."

In a separate report, commentator Alexandre Garcia reports live from Brasilia on Bornhausen's meeting with Ministers Marques Moreira and Borja and reveals that Bornhausen "will not remain as the political coordinator of the government, although he still does not know what he will do, given that he has not spoken with the president since 1400 on 29 August." On that occasion, Garcia continues, Bornhausen suggested certain points for inclusion in the 30 August speech which Collor rejected. Beside this, Garcia states, "Minister Bornhausen said he does not agree with the way people are phoning congressmen in the name of the government, urging them to vote against the impeachment request." Minister Bornhausen "said he will not make a decision alone, but within the party." He says that Bornhausen does not want to make a decision that may be interpreted as breaking the cabinet's commitment to remain in government until the Chamber of Deputies decides on an eventual impeachment request. Garcia adds: "Bornhausen is not comfortable because he does not agree with the position adopted last night by the president during

his speech. He thinks the president's speech hinders further the work of the national Congress. A short while ago, Presidential Spokesman Etevaldo Dias contradicted this report by saying that Minister Bornhausen remains in the government because he feels comfortable."

Souto To Remain Bloc Leader in Chamber

PY0109034592 Brasilia Voz do Brasil Network in Portuguese 2200 GMT 31 Aug 92

[Text] PFL [Liberal Front Party] Deputy Humberto Souto, from Minas Gerais, today said he will remain as government leader in the Chamber of Deputies. He said the attempt to overthrow the president of the Republic is just a struggle for power.

Souto descibed the speech delivered by President Fernando Collor as firm and calm. He said the president continues with his project to modernize the country, and that he will consider his government term concluded when this project is achieved. According to Souto, the president did not criticize the National Congress.

[Begin Souto recording] I do not believe the president has criticized the Congress. I believe he wanted to show that to approve an important project in the country one needs some 200 or 300 days, or the necessary time to vote for a project. The opposition, however, which is participating in this process, wants to change the axis of power in the country, to change the president, to change the government leader, to change the government program in 10 days. [end recording]

Deputy Souto added that the political structure should not be changed.

[Begin Souto recording] I do not think the PFL, in this very difficult moment Brazil is experiencing, will stop supporting the president, especially as this is a struggle between political parties. It is a struggle for power. [end recording]

After a meeting with the PRN [National Reconstruction Party] leader in the Chamber of Deputies, Jose Carlos Vasconcellos, and with other congressmen this morning, Deputy Souto said he will remain as government leader.

Franco: 'No One' Authorized To Speak for Him

PY3108175892 Rio de Janeiro Rede Globo Television in Portuguese 1600 GMT 31 Aug 92

[Text] Vice President Itamar Franco has just released an official communique in Rio de Janeiro. The vice president said that no one is authorized to speak on his behalf, adding that he has not made any statements about the foreign debt agreement, privatizations, and much less about Economy Minister Marcilio Marques Moreira.

Magalhaes To Be Franco's 'Staunchest' Opponent

PY3108223092 Rio de Janeiro O GLOBO in Portuguese 30 Aug 92 p 4

[Interview with Bahia State Governor Antonio Carlos Magalhaes by Jorge Bastos Moreno in Brasilia, date not given]

[Text] [Bastos] You have met with opposition leaders lately. What did they want?

[Magalhaes] They wanted to see me just because they missed me.

[Bastos] Did you meet with Itamar Franco?

[Magalhaes] No. I do not want Itamar Franco at the head of the government, and he does not want me at his side. We agree about that. I will be his staunchest opponent should he ever become president.

[Bastos] Do you oppose him without even knowing his government program?

[Magalhaes] He does not have a government program. I am going to ask him to produce one only so I can be against it.

[Bastos] Even Lula [Luis Inacio da Silva]—to everyone's surprise—thinks it is important that you support an Itamar Franco government.

[Magalhaes] That is just to get even, because I suggested that he support Itamar and he is taking revenge.

[Bastos] Do you think that Minister Marcilio Marques Moreira would agree to stay in a Franco administration?

[Magalhaes] What he does not agree to is departure.

[Bastos] Is it true that you had an argument with your friend Jose Sarney, because he is supporting the impeachment?

[Magalhaes] I am not at odds with Sarney—or, better, I am no longer at odds with Sarney.

[Bastos] Will Itamar Franco be able to govern?

[Magalhaes] Of course, he will be able to govern with the help of the PMDB [Brazilian Democratic Movement Party], the PSDB [Brazilian Social Democracy Party], the PT [Workers Party], and the great prestige of Sarney's leadership. What a great government he will make.

[Bastos] Is the opposition behaving correctly?

[Magalhaes] The opposition is not one large mass, in terms of total unity, I mean. But I did not like Ulysses Guimaraes' very impolite statment that the president had to leave through the front door so he would not be evicted.

[Bastos] Why?

[Magalhaes] Because you can be wicked only until you are 60 (Magalhaes is 60), not after you are 70 (Guimaraes is 75).

Economics Under Franco 'Already' Being Analyzed

PY3108222092

[Editorial Report] Sao Paulo O ESTADO DE SAO PAULO in Portuguese on 30 August, on page 3 of its economic section, carries an 800-word article signed by journalist Gleise de Castro, who notes that "economists and businessmen already regard President Fernando Collor's impeachment as virtually certain, and are beginning to make predictions about economic behavior under the future government of Itamar Franco."

Many economists and businessmen believe that Collor could no longer manage a recessive economic policy even if he defeats the impeachment process, because he will have to open the treasury coffers to pay for the political support he may receive in Congress.

The article cites Sergio Mindlin, coordinator of the National Enterpreneurial Coordination Plan, PNBE, who believes that Franco will be able to promote a national agreement to bring inflation under control and to resume economic growth.

Horacio Lafer Piva, a director of the Sao Paulo State Federation of Industries, FIESP, believes that inflation will remain stable under Franco because Economy Minister Marcilio Marques Moreira will have to stay in office.

Economist Paulo Nogueira Batista Jr., a professor at the Getulio Vargas Foundation in Sao Paulo, states that one cannot assume that Marques Moreira will stay and notes that irrespective of who the economy minister is, he should not act unilaterally but in coordination with Congress and the people.

The article concludes by quoting Sideval Aroni, president of the Sao Paulo State Association of Economists, who does not believe the change of government will bring any significant economic improvement. He says this will be a weak government and "will not be able to introduce reforms." For his part, economist Jose Claudio Ferreira da Silva, a professor at the Rio de Janeiro Federal University, believes that the new president will have bargaining power to negotiate a fiscal agreement with Congress.

Resignation for Economic Bills Exchange Viewed

PY3108185292 Rio de Janeiro O GLOBO in Portuguese 30 Aug 92 p 3

[Excerpts] Brasilia—During a meeting with his main advisers yesterday morning, President Collor was ready to offer his resignation in exchange for Congress' approval of the economy modernization bills that it is currently discussing. The proposal to resign, which was drawn up by Collor's assistants, was to have been included in the address to the nation that the president was scheduled to deliver during the evening, responding to the charges leveled by the CPI [Congressional Investigating Committee] investigating the PC [entrepreneur Paulo Cesar Farias] case.

About one hour before going on the air, the president's address over a radio and television hookup was canceled without any explanation.

Collor arrived at Planalto Palace shortly before 1000 and met for six hours with Bank of Brazil Chairman Lafayette Coutinho, Federal Savings Bank Chairman Alvaro Mendonca, Minister Secretary of Government Jorge Bornhausen, Social Action Minister Ricardo Fiuza, Presidency Secretary General Ambassador Marcos Coimbra, and entrepreneur Luis Estevao Oliveira, one of the guarantors of a loan that former Private Presidential Secretary Claudio Vieira reportedly secured in Uruguay and was reportedly used to pay the expenses of Collor, his relatives, and the Casa da Dinda [Collor's private residence in Brasilia].

Minister Jorge Bornhausen left Planalto Palace at 1800 after telephoning some ministers and government bloc leaders in Congress to convey the contents of the address that the president was scheduled to deliver. Upon arriving home, Bornhausen held a three-hour meeting with Transportation Minister Afonso Camargo; Marco Maciel, the government bloc leader in the Senate; and Senator Guilherme Palmeira (PFL-AL) [Liberal Front Party-Alagoas State]. They left Bornhausen's house at 1630 without disclosing the contents of the president's address. [passage omitted]

In Senator Guilherme Palmeira's opinion, an explanation is expected by the entire nation and is important for everyone's assurance, especially for the deputies who will, as of this week, deal with an impeachment process. Senator Palmeira recalled that when he talked to Collor about the "existence of a movement in Congress," he warned that there were three alternatives: explain, resign, or be impeached.

In Palmeira's opinion, the need for a convincing explanation has already spread to the entire PFL. Without it, the PFL bloc will be unable to support Collor.

The Alagoas senator pointedly said: "I believe this is the sentiment of the vast majority. No one will commit himself. If there are mistakes, involvement in wrongdoings, we cannot acquiesce to them." [passage omitted]

Survey Analyzes Support Against Impeachment

PY3108171092 Rio de Janeiro O GLOBO in Portuguese 30 Aug 92 p 5

[Article by Tereza Cruvinel and Cristiana Lobo]

[Text] Brasilia—A survey conducted by O GLOBO yesterday of the congressional blocs of all states revealed that opposition parties have already gathered 337 votes,

one more than the two- thirds that are necessary for approving the request for impeachment of President Collor. Under these conditions, a decision by Chamber of Deputies President Ibsen Pinheiro to implement a secret vote could favor the government because it can facilitate desertions from the opposition or shifting of government lawmakers who publicly say that they support impeachment.

Excluding Ibsen Pinheiro, who will not vote, from the 503 deputies, there might be 165 votes for the government, including the undecided and firm allies. Yet if the vote is secret, as the government wants, the government will have more chances of winning some dissidents, especially from the PMDB [Brazilian Democratic Movement Party].

The O GLOBO survey was conducted on lawmakers of each state's bloc who are aware of the position of their colleagues. The results were then compared with those of the government and the opposition, who have also counted the votes for and against impeachment.

Even though the PMDB has decided that the party will vote against the government, and even though Bahia Deputy Joao Carlos Bacelar is the only firm dissident, four others have been considered undecided and possible allies of the government: Zila Bezerra (Acre), Carlos Benevides (Ceara), Pinheiro Landim (Ceara), and Sergio Naya (Minas Gerais). Within the PDT [Democratic Labor Party], the following lawmakers are not included in the list of those who will favor impeachment: Eduardo Mascarenas (Rio de Janeiro), Haroldo Goes (Amapa), and Francisco Evangelista (Paraiba), the brother-in-law of Banco do Brasil President Lafaiete Torres.

Within the government bloc (PFL-PRN) [Liberal Front Party- National Reconstruction Party], there are at least 32 possible deserters, especially from Maranhao—Senator Jose Sarney's birthplace—and Pernambuco, a state governed by dissident Joaquim Francisco.

The survey shows that the largest number of votes for the government come from Bahia, where 21 of the 39 deputies are either against impeachment or are undecided. This is the result of the influence of Governor Antonio Carlos Magalhaes. The president is proportionately well thought of in his birthplace, Alagoas, where only three out of nine deputies are for impeachment. The president is also comfortable in Acre (where he has the support of six out of eight deputies) and Rondonia (where he has the support of five out of eight deputies).

The largest number of votes for impeachment come from Sao Paulo, where 45 of the 60 lawmakers (75 percent) will vote against the president. Next comes Rio de Janeiro, with 37 (of a total of 46), and Minas Gerais, with 35 (out of 53). Rio Grande do Sul, with 29 votes out of 31 (93.5 percent), is the state with the largest proportion of dissidents against the government. In Espirito Santo, nine of the 10 deputies want Collor to step down.

Budget Proposal for 1993 Sent to Congress

PY3108180292 Rio de Janeiro Rede Globo Television in Portuguese 1600 GMT 31 Aug 92

[Text] Planning Secretary Pedro Parente and Economy Minister Marcilio Marques Moreira explained the budget draft bill to President Fernando Collor late this morning. The 1993 budget law features a 22 percent cut. It has been decided, however, that no cuts will be made to the Social Action, Health, Education, or Social Welfare Ministries.

Revenue Deficit Seen

PY3108141292 Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 31 Aug 92

[Text] The government will send the 1993 budget proposal to Congress today. The level of expenditure exceeds that foreseen for revenue. This information was supplied by Economy Ministry Planning Secretary Pedro Parente. He did not disclose the volume of the deficit, but emphasized that the situation is very difficult.

The proposal totals $64 billion, the equivalent of 16 percent of the GDP [gross domestic product], while the government reportedly requires at least 23 percent of the GDP.

Colombia

Guerrillas Threaten To 'Break' Military Cordon

PA0109012592 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 2300 GMT 31 Aug 92

[Text] The control of public order has deteriorated severely and the peace policy is suffering a serious crisis after the intense offensives staged by the guerrillas and the Army since 16 August.

In spite of the recent messages sent by the guerrillas to different forums meeting in the country and the government's apparent will to seek peace through a political agreement, the peace process is stagnated and violence has intensified throughout the country.

In the past 10 days, guerrillas have attacked the oil pipeline five times. In the week starting 24 August, Mobile Brigade No. 2 and the Granada Battalion dismantled 18 guerrilla camps, wounded 10 rebels, and captured 27 others in the Middle Magdalena Region. During clashes that took place in nine different places, 22 rebels, three soldiers, and 11 peasants were killed.

These incidents, added to very severe conditions imposed by the government for continuing the peace negotiations, have resulted in a state of war.

That is exactly how journalists meeting in Barrancabermeja felt after they received a video in which Francisco Galan, leader of the Army of National Liberation, admits:

[Begin Galan recording] We publicly confess we are surrounded. We are surrounded in this intense confrontation. We will break this cordon with military confrontation. We have also charged war taxes should be paid by the multinational and national companies that are also financing this war. [end recording]

After making a level-headed analysis of this situation, political expert Francisco Leal said:

[Begin recording] [Leal] I believe the guerrillas have been politically weakened on a national scale. But it is very hard to tell whether they have also been weakened militarily.

[Unidentified reporter] Do you feel optimistic?

[Leal] I feel optimistic in the medium and long terms, but in the short term I feel pessimistic. [end recording]

'Large-Scale Offensive' Expected

PA3108194492 Mexico City NOTIMEX in Spanish 1656 GMT 31 Aug 92

[Text] Santa Fe de Bogota, 31 Aug (NOTIMEX)—The Colombian guerrillas on 31 August announced that they will unleash a large-scale offensive throughout the country, in response to military operations being carried out in diverse parts of Colombian territory.

The Army of National Liberation (ELN) issued a communique stating that several of its fronts are besieged by troops, but that it will break this encirclement with a military confrontation "in all possible terrains."

The ELN, which is part of the Simon Bolivar National Guerrilla Coordinating Board (CNGSB), has intensified attacks against the country's oil infrastructure, following the suspension in May of the peace talks that it was holding with the Colombian Government in Tlaxcala, Mexico.

The ELN message states that just as the government is taxing the country to finance the war, "so shall we establish taxes on multinational corporations that also are supporting the war economically."

The ELN announcement came a few hours after the government conditioned the resumption of peace talks—scheduled for this coming 31 October—to the guerrilla's ceasing sabotage actions.

Horacio Serpa, presidential peace adviser, said a few days ago that the guerrillas must release their hostages as a demonstration of their political will.

Serpa added: "I do not anticipate the talks resuming on the scheduled date, because I see no real interest on the part of the CNGSB to seek peace."

* ELN Threatens Antioquia Mining Operations

92WR0427Z Santa Fe de Bogota EL TIEMPO in Spanish 22 Jul 92 p 3A

[Article by Orlando Leon Restrepo: "El Bagre—Land of Gold and Guerrilla Violence"]

[Text] El Bagre, Antioquia—The workers who labor day and night on the big dredgers extracting gold from the Nechi River have grown accustomed not only to the strident noise of the machines, but also to life in the distant jungle, the camouflage uniforms, the boots and the rifles, and the constant threat of another guerrilla incursion.

They work for Mineros Antioquia (the Antioquia Mining enterprise), the national leader in gold production and the major source of jobs and royalties in the municipality of El Bagre, in Bajo Cauca, Antioquia.

There are 547 of these workers, and they live under the constant threat of death or kidnapping by the guerrillas, who declared a war to the death on this mining company last June.

Although the enterprise had decided not to allow itself to be intimidated and to continue to operate as best it could, Rafael Roldan, the manager in El Bagre, has admitted publicly that the gold-mining enterprise was on the brink of closing down. The guerrilla force had discovered the feet of clay of this King Midas of Bajo Cauca region in Antioquia.

"We have come to the point of no return," Roldan said. "The workers became unwilling to go out to work, and engineers, programmers, and executives resigned. However, Antioquia Mining is the only enterprise that does not pay protection money, and it has remained faithful to the principle of refusing to negotiate with criminals."

It is perhaps because of this radical position that the groups operating in the zone became exasperated and declared war on Antioquia Mining as a result.

Between March of 1991 and June of this year, there were 20 attacks on the employees, workers, and premises of the enterprise. The company's material losses have amounted to more than 100 million pesos.

But the major mining firm is not the only one affected by guerrilla actions. In El Bagre, 95 percent of the small miners have been forced to pay the subversives sums equal to 10 percent of their production. In addition, the medium-sized mining enterprises have been practically eliminated by the extortionists' siege.

Attacks and Threats

Last 20 January, after many years of constant siege by the guerrilla forces, the situation became even worse. An Army of National Liberation [ELN] commando unit mounted an artillery attack on the Providencia Hydroelectric Plant, which is located on the boundary between

El Bagre and Anori and which supplies the dredging system. Two policemen and two guerrilla fighters were killed, and three buildings were destroyed.

Beginning on that date, the guerrilla group mounted an eight-day siege against the hydroelectric complex, where 25 families live and where a National Police base is maintained by the mining enterprise.

However, the guerrilla force did not stop at attacking the premises, for the workers began to be targets, as well. On 7 June, Victor Pacheco was murdered while he was guarding a drill near dredger No. 10. Two days later, the enterprise driver, Henry Triana, who had been kidnapped six days earlier, was killed.

Previously, the targets for kidnapping and assassination had been officials of a certain level. Now the workers who traveled by launch each day through the muddy river waters to their posts also had to realize that they might be attacked by the guerrilla fighters, who regard them as military targets.

One event that relaxed the atmosphere of anxiety somewhat was the release on Monday, 13 July, of engineer John Jairo Gomez and dredger captains Jesus Rafael Quinones and Hector Leon Yepes, who had been kidnapped on 9 April.

However, the firm managers are not very optimistic. According to Roldan, "The situation has not changed. An enterprise cannot do anything in the presence of the state. Basically, the guerrilla forces have demonstrated an operational capacity vastly superior to that of the armed forces and the police. It is hard to have to say this, but it is the truth."

Although the guerrilla activity against this enterprise has decreased in recent days, the number and the harshness of the threats have intensified. Since 28 June, the 10th Army Brigade, headquartered in El Bagre, has deactivated 49 antipersonnel mines in the enterprise's operating area.

Now the ELN has threatened not only to sink a number of dredgers, as happened with No. 4 in 1986, but also to dynamite the fuel tanks used by the enterprise, which are located on the wharf on the bank of the Nechi River, 10 meters from the workers' camp. There are six 1,000- and 10,000-gallon tanks that are filled with gasoline and ACPM. If they were to explode, the result would be a catastrophe.

Because of the guerrilla actions, aggravated by technical difficulties, the production total of two tons of gold has been reduced by 453 kg this year (20 percent).

The situation in the public order sector has forced Antioquia Mining to invest millions in expenditures for protection. According to the firm's figures, the budget for 1992 includes a billion pesos to provide security for its premises.

These provisions include leasing a helicopter to guard the Providencia Hydroelectric Plant, maintenance of a police station at that same facility, patrolling by the Army of the 1,000 hectares in which the firm operates (in this area, there are four dredgers, the 286 electrical energy towers, the workers' camp, and other key sites on the Nechi River), and private guard services.

Developmental Center

If this enterprise were to shut down, El Bagre, a municipality that grew up around Antioquia Mining, might disappear. A social emergency covering a large area would also ensue.

In El Bagre alone, Antioquia Mining directly employs 600 individuals, and it is the indirect employer of 1,500 persons. There are various economic activities supporting this large mining community. A commercial sector with 437 establishments and 152 itinerant peddlers, mechanical workshops, and air transport concerns is included.

The enterprise is also the source of 33 percent of the royalties paid to the municipality of El Bagre for the extraction of gold (121 million pesos annually). These funds are vital for the execution of social projects and development along the 80 roads in this municipality, the majority of which have been abandoned by the state.

El Bagre is now an overpopulated municipality. This community, which was eminently agricultural 25 years ago, has in the past 10 years come to depend entirely on mining activity. El Bagre "imports" all of its consumer products.

On another level, the closing of Antioquia Mining would have a negative effect on the national economy, because the Colombian currency is supported in part by the domestic production of gold. Antioquia Mining produces between 1.4 and 2 tons of alluvial gold annually, which accounts for 6 percent of the domestic total and 10 percent of the output of the Department of Antioquia and is valued at about 10.0002 billion pesos.

Change in Strategy

The advantage enjoyed by the guerrilla forces in the areas in Bajo Cauca and in the northeastern part of Antioquia is not so much military competence as it is their mobility. This has been admitted by spokesmen for the 10th Brigade, which is headquartered in El Bagre.

Two guerrilla groups with a total of 180 men operate in the zone. The 37 Revolutionary Armed Forces of Colombia [FARC] has three groups—Bernardo Perdomo, Rodolfo Moncada, and a finance group. The FARC is active in the San Lucas mountain range and along the banks of the Caribona River.

The Army of National Liberation, on the other hand, carries out terrorist actions on the boundaries with Zaragoza, Segovia, Remedios, Caucasia, and Caceres. It has three fronts, known as Jose Antonio Galan, the Anori Company, and the Comrade Tomas Company.

Fifteen days ago, Manuel Murillo Gonzalez, the Army commander, visited the region and assured both the enterprise and the residents that the military forces will provide security for the development of all of the activities under way in the municipality of El Bagre and the adjacent areas. As of the present, a change has been made in the military strategy. It is now designed to deprive the guerrilla forces of their main area of mobilization along the Nechi River.

Groups of soldiers will undertake the patrolling of the river routes over a distance of 100 km. In addition, they will continue to provide permanent guard service for the dredgers and the enterprise camps. "Naturally, there are difficulties, for example, in providing surveillance of the 286 electrical energy towers," this officer said. "That would be entirely impossible, because we would need 18 soldiers, under the command of a noncommissioned officer, per tower."

Congress Studies Reforms to Social Security

PA3108173292 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 1630 GMT 27 Aug 92

[Report by Adriana Ayala]

[Text] Congress has begun studying an important bill to reform the entire social security system. The goal is to increase efficiency and guarantee better health care for workers.

A private pension fund for workers who enjoy social security benefits is being discussed in Congress. Senator Fernando Botero, president of the Social Affairs Commission, believes the social security crisis that has resulted from huge debts—almost 15 billion pesos in pension debts—calls for urgent reforms, including privatization of the system.

Senator Botero's proposal is to create individual pension accounts managed by private companies where workers can make optimum use of their monetary contributions.

[Begin Botero recording] Workers would be putting away money for their pension. The pension would be the result of what the worker has contributed for many years plus the yields produced when the money is invested. [end recording]

The proposal is part of a congressional study on the social security reform bill submitted by the government. According to the bill, the private pension fund would include guarantee bonds so the money does not depreciate. It also extends retirement age to 65 years.

The pension reform bill states the following:

For the private sector, workers of age 35 who begin in a new job would make contributions to the pension fund and will receive retirement bonds. Workers between 35 and 55 years may voluntarily join the fund or continue under the current system. Workers over 55 years will continue under the current system.

For the public sector, current workers may voluntarily decide if they want to join the new pension fund system or not. New workers who start working after the reform is approved will be under the new law.

* Poll Surveys Views on Gaviria, Escobar Escape

92SM0558A Santa Fe de Bogota SEMANA in Spanish 4 Aug 92 pp 32-35

[Text] In order to evaluate public opinion of President Cesar Gaviria and his government at the halfway point of his term, SEMANA decided to conduct a poll of the Colombian people. Within days of the completion of fieldwork for the survey, Pablo Escobar escaped from the Envigado jail, making it necessary to repeat the poll because the events at La Catedral Prison might have a substantial impact on results.

The National Polling Center therefore repeated a dozen questions and added one more to the original questionnaire in an attempt to determine who public opinion thought was mainly responsible for the escape. On this point, Colonel Hernando Navas, who was removed as director of prisons, was named as primarily at fault, followed by the president himself and the ministers of justice and defense.

The constant element in both polls was that while the answers to all of the questions before the escape were already disturbing for the government, after the escape occurred, they became frankly negative for a government that had enjoyed the luxury of one of the longest honeymoons with public opinion in history.

The polls were conducted on 17-19 and 25-26 July. In both cases, 596 persons were surveyed in the country's five largest cities.

Who do you think is most responsible for Pablo Escobar's escape from prison?	
President	12.8%
Minister of Justice	3.7%
Minister of Government	0.8%
Minister of Defense	2.9%
Director of DAS [Administrative Department of Security]	1.0%
Director of Prisons	20.3%
All	49.5%
Do not know; no response	9.1%

Image of Cesar Gaviria	
Before Escobar's Escape	
Positive	46.7%
Negative	45.1%
Do not know; no response	8.2%
After Escobar's Escape	
Positive	34.9%

Image of Cesar Gaviria (Continued)	
Before Escobar's Escape	
Negative	59.1%
Do not know; no response	6.0%

Has President Gaviria done a good job of handling crises over the past two years?	
Before Escobar's Escape	
Yes	44.7%
No	49.2%
Do not know; no response	6.0%
After Escobar's Escape	
Yes	34.2%
No	61.4%
Do not know; no response	4.4%

How would you rate the way Gaviria is handling the country in general?	
Before Escobar's Escape	
Good job	41.9%
Poor job	50.6%
Do not know; no response	7.5%
After Escobar's Escape	
Good job	30.5%
Poor job	62.2%
Do not know; no response	7.2%

Has President Gaviria Handled the Pablo Escobar Case Properly?	
Before Escobar's Escape	
Yes	53.4%
No	32.2%
Do not know; no response	14.4%
After Escobar's Escape	
Yes	22.8%
No	68.1%
Do not know; no response	9.1%

Generally speaking, has President Gaviria handled drug trafficking properly?	
Before Escobar's Escape	
Yes	55.8%
No	37.1%
Do not know; no response	7.2%
After Escobar's Escape	
Yes	39.4%
No	56.0%
Do not know; no response	4.5%

Do you trust Cesar Gaviria to guide Colombia's future?	
Before Escobar's Escape	
Yes	45.9%
No	47.1%
Do not know; no response	7.0%
After Escobar's Escape	
Yes	35.1%
No	60.1%
Do not know; no response	4.9%

Cesar Gaviria's Degree of Credibility	
Before Escobar's Escape	
High	17.0%
Medium	55.4%
Low	26.7%
Do not know; no response	0.3%
After Escobar's Escape	
High	15.4%
Medium	46.0%
Low	38.3%
Do not know; no response	0.3%

Compared with a year ago, the country's situation is:	
Before Escobar's Escape	
Better	20.0%
Same	30.2%
Was better a year ago	47.1%
Do not know; no response	2.7%
After Escobar's Escape	
Better	16.9%
Same	31.4%
Was better a year ago	48.7%
Do not know; no response	3.0%

Within a year, the situation in the country will be:	
Before Escobar's Escape	
Better	26.0%
Same	16.2%
Worse	48.4%
Do not know; no response	9.3%
After Escobar's Escape	
Better	20.8%
Same	17.6%
Worse	55.4%
Do not know; no response	6.2%

Would you vote for Cesar Gaviria for president of Colombia a second time?	
Before Escobar's Escape	
Yes	25.7%
No	65.6%
Do not know; no response	8.7%
After Escobar's Escape	
Yes	21.0%
No	74.3%
Do not know; no response	4.7%

When Gaviria won the elections, the other candidates were Lloreda, Navarro and Gomez. Do you think any of them would have made a better president than Gaviria?	
Before Escobar's Escape	
Yes	39.7%
Rodrigo Lloreda	4.7%
Antonio Navarro	16.7%
Alvaro Gomez	18.2%
Do not know; no response	0.2%
No	46.7%
Do not know; no response	13.5%
After Escobar's Escape	
Yes	44.5%
Rodrigo Lloreda	6.9%
Antonio Navarro	15.9%
Alvaro Gomez	21.5%
Do not know; no response	0.2%
No	45.8%
Do not know; no response	9.7%

Peru

Industry Minister on Andean Pact Suspension

PA0109012692 Lima Panamericana Television Network in Spanish 1200 GMT 31 Aug 92

[Text] Jorge Camet, industry, tourism, commerce, and integration minister, has said that the Andean Group's decision to suspend Peru's relations with that organization is positive. He said the country has not been isolated by the act, which he added will benefit Peru in many ways. He made other statements in this recorded interview with reporter Rocio Flores.

[Begin recording] [Camet] I would like to make it clear that Peru is not withdrawing from the organization. Peru continues to belong to the Andean Group and will continue to be an associate member. Peru has requested and received from its fellow members a temporary suspension of activities in three important areas of integration. But the suspension is not limited to these three issues, as the integration process is much broader.

[Flores] What has happened to trade within the Andean group?

[Camet] Andean trade has not benefited Peru. First, allow me to give you an idea of what it has meant up to now. Andean trade has added only 5.5 percent to Peru's total exports and comprises 13 percent of imports. Unfortunately, it has not been positive and various other factors have contributed to a 277 million [currency not specified] trade deficit in 1991, which was 43 million in 1989. Imports of products from Andean Group countries have increased 128 percent between 1989 and 1991, while our exports have only increased 36 percent.

[Flores] Will this temporary withdrawal cause our economy to enter a recession?

[Camet] Not at all. I believe it will eliminate the unequal competitiveness that we were suffering, like certain agreements of the Barahona act, whose implementation has been delayed.

[Flores] Subsidies, for example?

[Camet] I mean the lifting of subsidies and incentives, which is one of the agreements that has been delayed. Deadlines were set, but when that date comes, another postponement agreement has been reached.

[Flores] I understand that one of the clauses of the last agreement, signed on 25 August, states that the countries must set a specific date to end subsidies. I believe it was 30 September.

[Camet] They promised to do so in a statement of intentions, which I have seen several times, but the implementation of such measures continues to be postponed. [end recording]

Fujimori on Agricultural Reform, Executive Orders

PA3108215092 Lima Panamericana Television Network in Spanish 1200 GMT 31 Aug 92

[Text] President Alberto Fujimori has announced an aggressive support campaign for national agriculture. He said several legislative decrees will be issued to benefit Peruvian farmers. He made the announcement during a surprise visit to the Tarapoto, Bella Vista, and Rodriguez de Mendoza communities.

[Begin recording] [unidentified reporter] Mr. President, what results did you get from your visit to Tarapoto and other communities?

[Fujimori] Well, the visits were stimulating, as usual. Meeting with the people is always productive and positive. One gets to know the real situation and, best of all, we can solve small problems that are quite large for the people with just a little money. I was in Bella Vista for the patron saint festivities and the people held a big celebration. I then went to Rodriguez de Mendoza for the first time. The reception in both places was very warm, as it usually is in these communities. I was able to solve several small problems such as electricity. The government is acquiring 20 500-kilowatt hydroelectric generators, which we are bringing in as a package for a very low price, to be sent to the various communities where there is a need. I have also delivered the computers the youngsters were expecting. They were very well received.

[Reporter] Mr. President, on the announcement you made in Bella Vista, what does this withdrawal of subsidies for agricultural products entail?

[Fujimori] This is an important announcement for the farmers. They are well aware of the importance this has, particularly those working with the rural banks. The former Farmer's Bank has left some accounts to be collected. We are passing on accounts higher than $5,000 to the rural banks. Let us say the debt is $5,000. Of that total, 70 percent will become part of the rural bank's resources as a type of a sales commission. That way they have a way of getting funds through these small loans.

I also announced in Bella Vista a plan to purchase 2,000 tractors, which will soon be completed. [end recording]

Roundtable Discusses OAS Meeting, Elections

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["Saturday Focus" panel discussion with Foreign Minister Oscar de la Puente by telephone from Paris, France; former Senate President Alberto Borea Odria by telephone from Washington D.C.; Ismael Leon, reporter with LA REPUBLICA newspaper; Senator Enrique Bernales; Deputy Gilberto Siura; and Deputy Eduardo Calmell del Solar; hosted by Dennis Vargas and Arturo Salazar]

[Text] [Vargas] Good morning, ladies and gentlemen. We are 82 days away from the Constituent Congress elections. Twenty-two million Peruvians are expectantly waiting for that date when they will not only elect the individuals who will be in charge of modifying our Magna Carta but—as the government has repeatedly pointed out—the people who will most likely be in charge of legislating until 1995. The process is under way; however, there are certain situations which must be corrected so there can be an understanding between the government and the political opposition.

Within this context, over the past few hours an expected and important meeting was held at OAS Headquarters. Through this meeting we will discover how Peru is viewed from abroad regarding the pledges made in the Bahamas and as it undertakes to restore democracy.

Ladies and gentlemen, the foreign minister of the Republic, Dr. Oscar de la Puente Raygada, has announced in Washington that the OAS has approved the government's democratization process. He also pointed out that this approval was by consensus. Nevertheless, representatives of the political sector are saying this approval is not necessarily an endorsement of what is currently happening in Peru. In a word, the debate is under way, the process is under way, and they are the subject matter of today's program.

Our guest today is Foreign Minister Oscar de la Puente Raygada, who will join us from Paris where he is currently fulfilling international duties.

Ladies and gentlemen, we will begin our program immediately with remarks by the foreign minister from Paris. Good morning, Mr. Foreign Minister. We greet you from Radio Programas for the Saturday Focus program.

[De la Puente] Good morning, Mr. Vargas. It is 1600 in Paris and as I said on 28 August on the way to the airport to travel to Washington, I am in a positive frame of mind because the OAS has reiterated its confidence in Secretary General Joao Baena Soares and Uruguayan Foreign Minister Hector Gros Espiell as president of the ad hoc commission appointed by the foreign ministers to oversee the matter of Peru's return to institutional democracy. I am at your service and I am sending a greeting to all of my compatriots as I attempt to deal with the international sphere.

[Vargas] Thank you, Mr. Foreign Minister. What are the characteristics of this support or approval which you say the OAS ambassadorial meeting has given the process under way in our country?

[De la Puente] Resolution 1-92 of Washington establishes in its sixth paragraph that the OAS has urged the Peruvian Government to establish a dialogue with Peru's political parties and other democratic sectors to establish some degree of consensus in the process of returning to democratic institutionality. Resolution 2-92 of the Bahamas, which followed the pledge President Fujimori made in Nassau, reiterates the entreaty made in paragraph six, and concurrently recommends to the OAS General Secretariat that in view of the democratic political developments in Peru and the fulfillment of the pledge made by President Fujimori, the OAS General Secretariat extend technical assistance to cooperate with the National Election Board [JNE] and the Electoral Register, in response to the formal request made by the Peruvian Government.

The text of the paragraph in question states that in view of these developments, the OAS General Secretariat would submit a report for consideration by the Permanent Council. This has been fulfilled by Secretary General Baena Soares, who has been alert to the political developments in Peru. Baena Soares expressed this with

very objective clarity when he recounted all of the events that have taken place from the date President Fujimori made his pledge.

Baena Soares' detailed report, which even included documents to confirm relayed messages, added that Dr. Mario Gonzalez, Baena's designated observer in Lima, acknowledged that the Peruvian Government has fulfilled the pledge.

Consequently—considering that the government's decision to schedule the elections for 22 November is supported by an electoral law that has already been proclaimed—it would be advantageous in this case for the General Secretariat to provide the technical assistance requested with the promptness the case demands, taking into account that we are almost 82 days away from the electoral process.

The OAS Permanent Council operates at the ambassadorial level. Its highest authorities are the foreign ministers. The agreement reached by consensus on 28 August approves the contents of Resolutions 1 and 2 of Washington and the Bahamas, which were adopted at the foreign ministerial level. Consequently, the secretary general is free—whenever he deems it advantageous and in coordination with Foreign Minister Gros Espiell—to supply the technical aid formally requested by the Peruvian Government.

This is an important step, considering that it was not until the secretary general addressed the issue of political developments in Peru that the Permanent Council received a report. This was done on 28 August and the result, as you know, is that the Council confirmed its confidence in Secretary General Baena Soares and Foreign Minister Gros Espiell, who will continue to pursue this effort. When they deem it advantageous, they will begin to provide the technical assistance requested by Peru.

This is the approval I mentioned; it confirms the Permanent Council's support of the tactful and objective attitude displayed by the General Secretariat throughout this entire process.

[Vargas] Ismael Leon, a member of the panel, will now ask a question.

[Leon] Mr. Foreign Minister, good morning. It must be afternoon in Paris.

[De la Puente] Good afternoon.

[Leon] I would like to tell you that the political parties in Peru do not share your confidence concerning the OAS decision. This does not only apply to the political parties. We have an AFP report included in DIARIO LA REPUBLICA stating the OAS abstained on 28 August from endorsing the process for the reinstatement of democracy in Peru. When you talk about consensus and support it is actually the support given to the OAS secretary general and Uruguayan Foreign Minister Hector Gros Espiell, rather than the steps being taken by the government for the so-called reinstatement of democracy.

[De la Puente] That is a very....

[Leon, interrupting] If that is the case, what did you seek at the OAS, Mr. Foreign Minister? If you sought an endorsement from the foreign ministers' assembly you did not get it—or am I wrong?

[De la Puente] The Peruvian Government is not seeking a political endorsement. Its commitment, which was expressed personally by the president at the ad hoc foreign ministers meeting in the Bahamas, is to restore the country's democratic institutions through the election of a democratic constituent congress. This does not mean we need an endorsement because the government, through the president's initiative, is promoting the establishment of completely democratic institutions when the people cast their free, popular, and sovereign votes in the 22 November elections.

The only official request made by the Peruvian Government was for technical assistance for the JNE and the Electoral Register. The Peruvian Government has not requested political endorsement for the measures it adopted on 5 April or for the installation of a democratic constituent congress. This matter concerns only Peruvians. The Peruvian Government's decision is a sovereign decision; it is based on a consensus and its goal is to hold elections in strict and absolute compliance with the electoral process. The Peruvian Government's position is that the OAS technical support, through organizations specialized in electoral processes, and the presence of observers from the inter-American system to witness the honesty and reliability is pertinent.

A paragraph in Resolution 2-92 textually states: Given the events and given the report presented by the secretary general to the OAS Permanent Council, technical assistance will be given as soon as it is formally requested. This is a continuation of a process that will conclude with the OAS' participation, meaning it will provide technical assistance to the JNE and the Electoral Registry and observers will be sent to witness and support the electoral process the government intends to carry out.

Let us not confuse two terms political groups use to influence public opinion and imply the OAS has not endorsed the Peruvian Government. The Peruvian Government has not requested an endorsement. The Peruvian Government has formally requested technical assistance, which was achieved on 28 August with the OAS General Secretariat's full support. It ratified the authorization given to the secretary general and Foreign Minister Gros Espiell so they may provide this assistance through the General Secretariat when they consider it convenient.

A mechanism is followed for the formal issuance of resolutions and agreements adopted in a permanent

council. Therefore, the secretary general, meaning the General Secretariat, will be able to obtain cooperation resources so the OAS may have the necessary budget to carry out its duty. We are talking about technical issues—meaning formal technological assistance and the participation of observers in the electoral process—rather than political issues, which is what the political parties' representatives tried to imply.

[Vargas] Foreign Minister Oscar de la Puente is in touch with us from Paris, where it is now 1600. Arturo Salazar will now ask a question.

[Salazar] Good afternoon, Dr. De la Puente.

[De la Puente] How are you, Dr. Salazar? A pleasure to greet you.

[Salazar] The pleasure is mine. We would like you to clarify something. Has the OAS met only to reiterate its confidence in the technical assistance and to give its support to the secretary general and Mr. Gros Espiell? Do you think it is contradictory for the secretary general and Foreign Minister Gros Espiell only to provide technical assistance and some information on budgets?

[De la Puente] This is the nature of the assistance the OAS can provide in an electoral process such as ours. The OAS respects the internationally honored principles of the peoples' free determination and nonintervention. The OAS or anyone else cannot interfere with the country's internal affairs.

[Salazar] Of course, but the resolution....

[De la Puente, interrupting] The OAS has responded to the Peruvian Government's formal request. It is the Peruvian Government which, through the OAS, has asked for technical assistance for strengthening the operational and logistic capability of the JNE and the Electoral Register so Peru can return to full democratic institutionality through this election process.

[Salazar] Yes, but has not Resolution 192, which deals with dialogue, been assessed, studied, or debated at the OAS?

[De la Puente] Dr. Salazar, the Permanent Council lacks the power to issue resolutions on the debate. A resolution signed by foreign ministers cannot have an administrative effect. Resolutions 1 and 2, issued in Washington and Nassau, were released at the foreign ministers level. The Permanent Council is an OAS internal body formed by the member countries' ambassadors to Washington. Consequently, the procedure, which should be explained to the country so it can be fully understood, is one where the General Secretariat reports to the Permanent Council on Peru's evolution in the process to return to institutionality. This is what the Secretary General did at the time he presented his report. Prior to this, no Permanent Council meeting was held to study the evolution of the political events in Peru.

This means that the Permanent Council meets on the General Secretariat's request to discuss the report. Should a negative situation arise, the Permanent Council could recommend a foreign ministers' meeting so they can make a decision in case the Peruvian Government fails to meet its promises. For this reason, the Permanent Council, upon receiving the report from the Secretary General reporting that, quote, Peru has complied and that the evolution of the political situation justifies honoring Peru's formal request for technical assistance. The Permanent Council has left the secretary general and Foreign Minister Gros Espiell free to resume their mission so, when they regard it as timely, they can establish the assistance through the required procedures. Unquote.

It is a normal procedure for the secretary general to inform the Permanent Council on the procedure established by the foreign ministers' meeting. In the context of the meeting held on 28 August, the entire contents of Resolutions 1 and 2 of Washington and Nassau is honored and confidence is reiterated in the two OAS officials, this is to say, the secretary general and Foreign Minister Gros Espiell. In view of Peru's formal request and compliance with the president's pledge and the political evolution leading to the restoration of democratic institutionality in Peru and the full reestablishment of democracy, the secretary general can grant this assistance.

A new procedure is now necessary to obtain resources, to establish a budget, and to meet the logistical needs for the presence of observers in a country like ours with a territory of more than 1 million sq km and more than 12 million voters. It is well-known that the JNE suffers a number of limitations, which could be overcome by the requested assistance.

[Salazar] Mr. Foreign Minister, thank you very much for participating in our program from Paris and for giving us your views on the OAS ambassadors meeting.

[De la Puente] Thank you, good-bye.

[Vargas] Good evening in Paris. We now contact Senator Alberto Borea Odria, who led the parliamentary delegation representing the political opposition groups at the meeting in Washington. Senator Borea Odria, good morning to you.

[Borea] Good morning, Dennis and good morning to Peru.

[Vargas] We would like to tell you we have Senator Enrique Bernales, Deputy Eduardo Calmell del Solar, and Deputy Gilberto Siura of Change 90 in the studios. We would like to hear your version after hearing the foreign minister.

[Borea] Look, you have already heard the lesson in politics given by the representative of the dictatorship. In fact, he has given his own views. I think there are certain interesting things in this regard. First of all, the

OAS ambassadors meeting on 28 August did not endorse the dictatorial government, as clearly stated by Secretary General Joao Baena Soares. Quite the contrary, the government was clearly warned by all the Latin American delegations that they could not endorse a dictatorship, that the OAS had to handle this case with extreme care, and that Baena Soares and Gros Espiell basically had to achieve a consensus that was not possible in the country before sending the observers and providing the assistance mentioned by Foreign Minister De la Puente.

Clearly put: The dictatorial government requested an immediate resolution on this point yet the ambassadors said both Baena Soares and Gros Espiell had to analyze the facts because it was clear there was no consensus. This was clearly ascertained in the speakers' statements. They said that—although the dispute about the law and the constituent assembly were issues that, as we said, should be discussed internally—they were quite worried about the procedural problems concerning the elections and the constituent assembly, which cannot be used to perpetuate the dictatorship. Instead, it should allow a quick transition to democracy, which is what we have said all along.

Therefore, the 28 August meeting has been an important meeting. Dr. De la Puente has already said a decision was adopted. Baena Soares and Gros Espiell have been given a task subject to the Permanent Council's evaluation. An interesting thing has happened. The political opposition has been allowed to talk at an event where only ambassadors were previously allowed to talk—whether they represented a dictatorship or a democracy. From the hemispheric viewpoint and, above all, from the Peruvian viewpoint, this has established a concept: The country must strengthen its democracy rather than perpetuate a dictatorship.

[Vargas] Here is Ismael Leon. He will ask another question to Senator Borea Odria, who is answering from the international airport in Washington before returning to our capital.

[Leon] Good morning, Senator Borea.

[Borea] Good morning, Ismael. It is a pleasure to hear you.

[Leon] On 28 August, Ambassador Alejandro Leon Pazos said on behalf of the de facto government that a fruitful, intensive, and representative national dialogue has taken place here. He added it has allowed a large number of our political and social groups to state their views. What are your views about this? Do you feel immersed in the fruitful and intensive political dialogue Mr. Leon Pazos talked about?

[Borea] Look, Ismael, Dr. Baena Soares' report surprised the ambassadors at the assembly. It simply said, in a wrongful and equivocal way, six political groups had participated and 14 political groups had not participated in the dialogue called by the government. These numbers represent 66 percent on one side and 33 percent on the other. We explained the situation, meaning that the groups represented by the parties participating in the dialogue were in fact only 5 percent of the groups represented in Congress.

Naturally, all the ambassadors' eyes got as big as saucers—Baena Soares' report was no longer reliable because it failed to specify proportions and simply used absolute numbers as if they really represented what is taking place in the country. The ambassadors realized what had happened and I can tell you the statements given by the person you mentioned naturally failed to make an impression. They all realized that the presence of a delegation representing all the democratic political parties that oppose the dictatorship was the best evidence there had been no fruitful results or consensus—only dissent.

[Vargas] Senator Alberto Borea Odria, we thank you very much for your deference toward us and for allowing us to talk with you at the international airport, despite the difficulties, before you return here.

[Borea] Before I hang up, Dennis, I would like to tell you one last thing.

[Vargas] Yes, sir.

[Borea] I heard you mention the AFP report, which is quite clear, aside from being an impartial opinion. I understand that the dictatorship and the media under its control are trying to portray as a victory what was actually clear questioning by the OAS. I believe that on this point they are going to attempt to influence public opinion with all the resources available to them. But the result is clear. The important thing here is that even though they requested an endorsement for Engineer Fujimori and his government, they did not get one. The continent is expectantly waiting for the strengthening of democracy in our nation.

[Vargas] Yes.

[Borea] We have said we will welcome the OAS when there is a consensus among Peruvians. Unfortunately, that consensus has not been possible due to the government's arrogance and its refusal to discuss essential and important topics concerning the country's destiny. Thank you.

[Vargas] Thank you, Senator Borea Odria. Well, referring to the same issue we can also say political parties are partially to blame for this stalemate. The issue will be discussed in the debate which follows, with the participation of guests invited to Radio Programas del Peru's studios. What our country portrays to the world is not exactly interesting. Problems must be solved at home and among Peruvians.

[Vargas] We have heard statements by Foreign Minister De la Puente from Paris and by Senator Borea Odria from Washington. We now have enough information and would like to hear from the legislators.

I—and I do not know how many other Peruvians think this way—believe that we are not making a good impression abroad. Our problems have to be discussed in Washington—and with the usual problems—at a meeting of ambassadors. I believe that this issue deserved different treatment. These are the facts, but we still have time to solve our problems. What does Deputy Gilberto Siura of the Change 90 party have to say?

[Siura] There is a reality in the country in connection with the break of the democratic institutional order on 5 April. The people tacitly revoked the representation the legislators had at Congress. They not only revoked the legislators, but also the whole political class that existed at that time. By supporting President Fujimori, the people....

[Vargas, interrupting] Do you consider yourself to be part of that political class?

[Siura] I am a part of that political class, and I am indulging in self-criticism, which I have not heard from the revoked legislators.

You correctly stated that Senator Borea heads a group of legislators—that is the correct word, he heads them—but he does not recognize his responsibility, our responsibility as former legislators, for what is happening in Peru.

The voices of the Peruvian people are crying out for justice, not only with tears but also with blood. We seek that justice in any way. We are now supporting President Fujimori because we believe the constituent assembly is an option. That is why we are surprised when there is resistance from groups that use certain formalities as a pretext to enter this assembly so that the people's voice can be heard from there. [sentence as heard] If we do have representation, we should have elections and have the people elect us.

[Vargas] Does this mean you think that what is being done will be a scandal?

[Siura] Of course. This proves we are not capable of recognizing our responsibility, as a political class and as Peruvians, for Peru's history. That is why I believe there is a total rejection of the opinion that refuses to recognize we are in a democratization process that never existed before in Peru, and which may be formal but unreal.

Nonetheless, we are on that path, on which poor, rich, white, mestizo, intellectuals, and those who have no education, want justice just for the sake of peace. It is a reality, which should start with Senator Borea. He should take a look into the history of his political life and then present us with the most humble of Peruvians.

That is why I say we should all unite, and not yell so much abroad, but do things here in silence. Not as lambs, but seeking the democratization of Peru through the constituent assembly.

[Vargas] Senator Bernales, in the calm of the capital and far away from the debates at the OAS, how do you see the country's political situation after what happened on 28 August?

[Bernales] First of all, I would like to say that, if there is an internationally negative reaction toward Peru, it is because something caused it. This situation is not imaginary.

We are sitting in the defendant's seat, facing all the countries that have problems and solve them democratically. Someone who was elected by the people and who swore to respect the Constitution, simply violated it to install a dictatorial regime. That has mobilized national and international public opinion, which is always mobilized in circumstances such as these.

We may remember the many times the international community has, in light of a coup d'etat, intervened to generate or contribute to produce the conditions that could open possibilities for the recovery of the peoples' political rights.

I understand the uncomfortable situation Foreign Minister De la Puente is facing. If I were in his place I would also try to find arguments to explain what happened on 28 August at the OAS. First of all, it is not true that the OAS held a meeting to reiterate its confidence in the secretary general. Who ever withdrew confidence in him? Is this what was at stake? That is, quite frankly, a paltry argument—not to describe it otherwise. In the second place, it is not true that the resolution is conditional with regard to what the secretary general may do. The resolution is mandatory; it states that the secretary general must, necessarily—as stated in point three—lend assistance when the pledge of democratization within the framework of dialogue has been fulfilled.

In reality, this resolution contains an arrangement that was not anticipated in the previous resolutions. The two resolutions were somewhat final and in this one the OAS to some extent has washed its hands, having reached a decision that favors neither of the two sides because we are treated as sides in a conflict. The resolution states that the secretary general must return—although his mission should have concluded already—so that he can again evaluate the situation and, as a result of that final evaluation, reach a decision with the president of the commission as to whether the situation merits having the OAS participate as an observer. The OAS practice, the international practice, is for the OAS to send observers only when the sides in an internal conflict are in agreement.

[Vargas] Senator Bernales, we all know that. The OAS—and this is in keeping with international law and even with the international principles of nonintervention and respect for the sovereignty of countries—will never say do this and that or we will impose sanctions against you. The OAS will make entreaties and recommendations as to how, in any case, we can find the path for restoring democracy in our country.

[Bernales] Pardon me, Denis, but your arguments are totally mistaken because in international practice the OAS intervenes in election processes that may be questioned due to the risk or fear of election fraud. Under those circumstances, a government that says the OAS or international organizations are not coming runs the risk of having sanctions imposed on the situation it wants to resolve. This government needs the OAS to come precisely because its presence will guarantee the elections and somehow contribute to the fulfillment of the political goals the government has established. Also, the OAS would not be so quick to make a judgment and would acknowledge that we are facing an internal conflict, and that its presence is important for the internal democratization process. This, of course, is if you consider [words indistinct] is not essential. It is part of the inevitable logic of a process that should not have been this way but has been forced by the circumstance that a government, which staged a coup d'etat to remain a dictatorship, through international pressure had to retreat and within this context, this retreat, accept the OAS presence.

[Salazar) I suppose the government would care very little about the OAS opinion if it were not for the possibility of suspended international credits. This seems to be the central problem for Mr. Fujimori's government.

[Bernales] No, I believe there is more to it than that. Interdependence nowadays is a worldwide reality. A country that isolates itself from the international community not only can suffer loss of credits but all sorts of sanctions: political measures pertaining to human rights, pertaining to the support group, and so forth. There are a number of things. There is not one country in the world that can say: to heck with the international community; it is I, in fact, who makes the decisions in this country. That possibility does not exist.

[Vargas] Please allow me. Deputy Calmell will now speak. What do you think of this situation?

[Calmell] I would like to make several points, Denis, but first I must explain something as I always do when I participate in events such as these. I am going to speak for myself. When I speak it is for myself and not for my party.

[Vargas] Yes, but the Popular Action Party has decided against participating in the CCD elections, has it not?

[Calmell] It has not made a decision yet.

[Vargas] Oh, it has not made a decision yet.

[Calmell] Meanwhile, I can express my opinions.

[Vargas] Perfect.

[Calmell] I suppose. [laughter] Not like in the APRA [American Popular Revolutionary Alliance]. There are several things. First of all, I believe it was wrong to have appealed to the OAS. It seems to me that the country must not be subjected to tutelage; it has never been so subjected, and we have retreated in that area to the levels of the sixties or thereabouts.

I think the delay of going to the OAS and having the OAS discuss our internal issues is very bad. We were a leading Latin American country with democratic elections and democratic processes, and we now have to request observers or technical assistance. The electoral system in Peru was one of the most complete and one of the must trustworthy, even though people always claimed a fraud had been perpetrated. The possibility of that fraud and reticence in the latest electoral processes was very small.

[Leon] We even provided assistance to other countries.

[Calmell] That is right. Most of the countries in the world learned from the Peruvian process. Peruvian processes did not need observers so we have suffered a considerable setback.

[Vargas] Do you....

[Calmell, interrupting] I do not....

[Vargas, interrupting] Does Popular Action or Democratic Left feel somewhat responsible for this setback?

[Calmell] I do not think Borea should have gone to the OAS or that the minister should depend on the OAS. As a principle I think, and my party has clearly stated it, Peruvian problems should not be discussed abroad—that is clear. The problem of interdependence has brought our country to its knees at the OAS, and that is a grave responsibility. I think we have not achieved much progress, I think we are going backward in that area and on that topic. Consequently....

[Vargas, interrupting] What must be done in the future? What do we have to do?

[Calmell] Well, we must....

[Vargas, interrupting] What must the political parties do right now, at this very instant?

[Calmell] This is not a problem that can only be solved by the political parties or the politicians.

[Vargas] I know this is a responsibility shared by all the Peruvians, but I basically mean....

[Calmell, interrupting] Essentially speaking, I think that politicians who are currently in the government-....[pauses] those who are in the government are politicians.

[Vargas] That is correct.

[Calmell] Those who are not, meaning those who comprised the congress, and the journalists, the labor leaders, etc. have a responsibility. Clear and democratic elections must be held without interference because we can surely reach an agreement. If the rules are clear, a congress could be elected in free elections with clear rules and norms. There would be no need for dialogue, talks, or

anything else. What we need is clarity in actions, trust that actions will be honest. We do not need observers. We simply need Peruvians to reach an agreement among themselves. That is my opinion. I think....[pauses] I fully agree with you. It is deplorable Peru is now subject to international discussion and possible sanctions.

[Vargas] That is right.

[Calmell] What we are discussing is important, not because of the dialogue being held at the OAS but because there is real possibility sanctions will be enforced if pledges are not assumed.

[Vargas] The repercussions will be felt more directly through multilateral financial agencies in the world.

[Calmell] No, the repercussions will be felt by the Peruvian people, who will suffer for each and every one of the actions carried out on 5 April. They are suffering already.

[Vargas] They are suffering already. That is not news. Arturo Salazar Larrain asks the next question.

[Salazar] Mr. Siura, I call you mister because you are offended if I call you deputy.

[Siura] No, nothing offends me.

[Salazar] All right. You have stated the legislators' mandate was revoked. Who revoked it? President Fujimori and the Armed Forces. Polls on the people's views then followed. Do you believe polls are a stable juridical system to provide a stable juridical situation to the country? Do you believe in polls as a method? You were elected with ballots rather than polls. I would like you to answer this.

[Siura] Two specific questions. Who revoked? There is no formal revocation. It is an informal revocation like the majority....[pauses] that is the reality in most of the country's cases.

[Salazar] Ah, I see.

[Siura] Behind President Fujimori's attitude—and history will determine whether it was good or bad, whether it was a dictatorship or not—there is an informal revocation, meaning the Peruvian people.

[Salazar] Does the revocation not include him? The mandate is the same. You were elected along with Fujimori.

[Siura] Excuse me, excuse me.

[Salazar] If a mandate is revoked, all the terms of the mandate are revoked—or not?

[Siura] No, the revocation only refers to the congress.

[Salazar] Only that?

[Siura] It also supports, it also supports [repeats himself] President Fujimori. That is clear and evident. Now then....

[Salazar, interrupting] The mandate was divided.

[Siura] Referring to the polls, the only poll I believe in is the elections.

[Salazar] So?

[Siura] That is why I invite everyone to participate in the 22 November elections without restrictions. Let us request all the necessary observers.

[Salazar] In other words—if I understand you correctly—what you ask is that we also elect the president of the Republic in the elections for constituent congress? That is what you are saying.

[Siura] No, in my personal opinion, all those who rule the country should be elected by the people.

[Salazar] Fujimori, too?

[Siura] A summons has been issued for 22 November.

[Salazar] In other words....

[Siura, interrupting] Excuse me for interrupting but I do not think the 22 November elections are simply the last chance for a slice of the pie. I think it is part of a process. The Peruvian people hardly can be deceived. That does not happen any more. A language of blood and tears is now used in Peru.

[Salazar] It is a voice that cries out.

[Siura] It is a voice that has been crying out for a long time and which we have not heeded. Let us heed it. Let us go to the hospitals, let us go to the markets, let us go to the churches and to the streets. Aren't there differences, isn't there a confrontation, a debate because I drink whiskey and you drink beer, because I live in a hut and you live in a palace? Yes, there are differences that must be overcome. This is not demagoguery. We are at the beginning, no, I would not say the beginning, but we are in a process that is not going to stop.

[Salazar] What does that have to do with President Fujimori's mandate?

[Siura] He is part of the process. His attitude was courageous. I believe that all of his ministers have adopted a courageous stand and we must recognize it. The Peruvian people recognize it and will go to confirm it or to deny it on 22 November.

[Salazar] Don't you think it was the Armed Forces that were courageous in any event?

[Siura] It is the Peruvian people, or isn't it?

[Salazar] The Armed Forces?

[Siura] Isn't it the Peruvian people?

[Salazar] Many times it has not been.

[Siura] That is your opinion, but the Peruvian people support it at this time.

[Salazar] This is precisely what the current situation, which we have mentioned today, has generated. Imagine, dear friends, how much remains to be done for our country. What we want to know, during the few days remaining for the CCD elections to be held, is what we should do. That is a question I would like the congressmen to answer for us. First, Senator Bernales. Don't you think it is necessary to straighten the course and start adding instead of subtracting, setting aside all political differences and placing things clearly on the table, all the questions and everything.

[Bernales] Dennis, you know that has always been my attitude and I reaffirm it in this program. I am not interested in dividing, I dislike subtracting, and support everything that adds. My private, university, and political life has been in that direction. I understand we must be less dramatic with words and seek those situations that can bring us closer. I don't think we face an insurmountable situation. I think that the law, for instance, can be modified. I think that both the de facto government and parties can seek a rapprochement, not in terms of political lines, but on basic rules so that the people can pronounce themselves in the clearest manner, so that CCD can function with discretion, with prudence. The Constitution certainly does not deserve to be totally replaced, as has been said.

[Salazar] We are speaking of modifications, are we not?

[Bernales] We must seek rationally that which should be modified. We have to seek ways to overcome this impasse. Fujimori had said that if we called a referendum and the referendum included the point of general elections, he would accept it. Then, we must not try to be holier than the pope. If Fujimori says he accepts that, then that is a point that is solved. Given this perspective, I think the referendum is advisable, it is necessary.

I personally have never had any problems with the measure, but basically, there is something that has always worried me. The country's main problems, in my view, its main, central, and most serious problems are violence and terrorism. I do not think that we are doing the country any good with these discussions, which only contribute to worsening the controversy....

[Vargas, interrupting] Senator Bernales?

[Bernales] We should create the conditions by which we can truly find points of agreement, over and above our personal and legitimate standpoints, to resolve the real and profound problems in the country.

[Vargas] In response to the seriousness and responsibility you have demonstrated here, Sen. Bernales, will leftist socialism participate in the election?

[Bernales] We have agreed on a procedure for all of the parties to follow, which requires consultation with the bases. We have seen so much criticism about the party leadership. Very well, then, during all this week the base memberships of each of the organizations will make a statement. Now, as far as I am concerned—and wherever I can be an influence over the leftist socialist's supporters and voters—I believe we should participate.

[Vargas] Very well. And you, Deputy Eduardo Calmell?

[Calmell] I believe that this issue of the CCD, or whatever it is called, is not as important as reaching a broad national consensus, in a short period of time. I believe in the need for a national agreement for the next few years. The country will not function just because there is a new constitution or because three of four articles are changed. If we do not have a national agreement that involves us all, including the Armed Forces, President Fujimori's political group, the political parties, and the various associations, and if there is no basic agreement on five or six major issues for the next 20 or 30 years, then the country cannot function. We need to get the country to work and find an end to the violent escalation and the economic problems, this we can do only if there is a national consensus by which we all agree to follow specific policies during the coming years.

[Vargas] So you believe that the Popular Action Party should also participate in the election?

[Calmell] What election?

[Vargas] The CCD election.

[Calmell] Well I think that this hardly matters, as long as there is no basic national agreement, which is what we should be discussing instead of just small reforms.

[Vargas] Then your personal view is that the Popular Action Party should participate in the election?

[Calmell] I personally believe that it should.

[Vargas] Gentlemen, friends, you have been most kind, thank you, and until next Saturday.